

# TOO MUCH DEBT?



- Making minimum payments
- Reaching your credit limit or coming close to it
- Unaware of the amounts owed
- Using cash advance to pay bills
- Denied credit or credit purchase
- Calls from collection agencies
- Lying about spending
- Most or all income going towards debt

## Paying down your debt

- Pay lowest balance or highest interest rate accounts first
- Pay as large a payment as you can, making sure it is more than the minimum due
- Once a debt is paid off, continue paying off other debts
- Once all debts are paid off, send payments to savings

## Credit Score

-  A hand holding a green checkmark, indicating a positive credit score.
- ☒ Excellent
- ☐ Average
- ☐ Poor



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[www.uwlax.edu/it-makes-cents](http://www.uwlax.edu/it-makes-cents)

Office hours Monday-Friday 8 a.m.-4:30 p.m.

UNIVERSITY OF WISCONSIN-LA CROSSE

# IT MAKES CENTS! CREDIT BASICS

Your money.  
Your future.



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# CREDIT REPORT

## Information found on your credit report:

- Name
- Social security #
- Birth date
- Address
- Creditors and payment history (good and bad)
- Inquiries you initiated
- Bankruptcies
- Judgments
- Liens
- Lawsuits
- Employment information

## Not on your Credit Report:

- Income and checking account info
- Medical history
- Race, and gender
- Criminal records
- Driving records

You can view your credit report from each of the following report companies:

**TransUnion**  
**Equifax**  
**Experian**

for free once each year at  
**annualcreditreport.com**

## What is your credit score?

730+	700-729	670-699	585-669	584 or below
excellent credit	good/above average	good credit	fair credit	poor credit

## CREDIT SCORE

### Things that impact your credit score:

#### ■ PAYMENT HISTORY

- Making payments on time

#### ■ AMOUNTS OWED

- Amount of credit limit being used

#### ■ NEW CREDIT INQUIRES

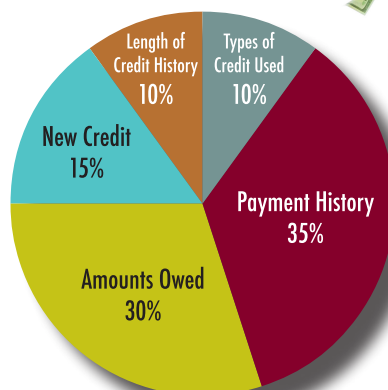
- When people look up your credit history

#### ■ LENGTH OF CREDIT HISTORY

- How long you've had the line of credit

#### ■ TYPES OF CREDIT USED

- Installment (Auto Loan)
- Revolving Credit (Credit Card)
- Mortgage (Home Loan)



## BUILDING CREDIT

- Get a secured line of credit
- Pay your bills on time
- Limit the number of lines of credit
- Keep balances low
- Be selective about what you apply for
- Have a mix of credit (credit cards, auto loans, mortgage, etc.)

## Who cares about your credit scores?

- Financial Institutions distribute interest rates based on credit score
- Employers
- Landlords
- Utilities
  - Cell phones, electricity, etc.
- Insurance companies



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