

PARTICIPANT HANDOUTS

“Lunchtime Learning” Professional Skill Development Distance Learning Series Event #2: Create Great Credit

Presented by:

Amy Fidelis, CCUFC, AAC, Marketing & Education Director, *mpowered*
Carlos Colón, ACC, Personal Finance Coach, *mpowered*

Live Broadcast Date/Time:

Wednesday, May 21, 2014

12:00–1:00pm Mountain Time / 1:00–2:00pm Central Time

Series Overview:

Join Community Health Association of Mountain/Plains States (CHAMPS) and Colorado Community Health Network (CCHN) for the [**“Lunchtime Learning” Professional Skill Development Distance Learning Series**](#)! These six one-hour webcasts will take place between April and September of 2014. Participants may attend any selection of events, all designed to provide professional development and skills improvement as a component of a continuous process of advanced practice transformation, with the goal of positively impacting retention rates at Region VIII health centers. The events are primarily targeted at health center administrative and clinical support staff, although staff members from all levels of the health center are welcome.

Event Overview:

“Create Great Credit” is designed to explain the ins & outs of the credit system, debunk myths, and provide resources for accessing personal credit reports & scores. It also provides expert tips for building, maintaining or improving credit scores, and address how credit relates to personal goals. The presenting nonprofit, *mpowered*, has worked with thousands of families to help them understand credit, debt, collections, bankruptcy, and more. This presentation includes expert tips based on best practices and up-to-date resources.

Learning Objectives:

Participants will:

1. Identify how credit relates to their personal beliefs.
2. Understand how to access their credit reports.
3. Identify what information is contained in the credit reports.
4. Identify what credit scores are and how to improve them.
5. Utilize their credit reports to understand and improve their finances.

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SERIES TIMELINE

- Event #1: Tell Your Money Who's Boss (04/30/14) Archive Available!
- Event #2: Create Great Credit (05/21/14)
- Event #3: Foundations for Influencing - Presuming Good Intent (06/18/14)
- Event #4: Foundations for Influencing - The Art of Developing Trust & Personal Power (07/23/14)
- Event #5: Foundations for Influencing - Influencing through Negotiation (08/20/14)
- Event #6: Motivational Interviewing (09/17/14)

Visit www.CHAMPSonline.org/Events/DistanceLearning.html#LunchtimeLearning for complete details, including registration for individual events.

CHAMPS ARCHIVES

This event will be archived online and on CD-ROM. The online version will be available within two weeks of the live event, and the CD will be available within two months. CHAMPS will email all identified participants when these resources are ready for distribution. For information about all CHAMPS archives, please visit www.CHAMPSonline.org/Events/DistanceLearning.html.

DESCRIPTION OF CCHN

Colorado Community Health Network (CCHN) is a non-profit organization representing the 18 Colorado Community Health Centers (CHCs) that together are the backbone of the primary health care safety-net in Colorado. CCHN is committed to educating policy makers and stakeholders about the unique needs of CHCs and their partners, providing resources to ensure that CHCs are strong organizations, and supporting CHCs in maintaining the highest quality care. For more information about CCHN, please visit www.cchn.org.

DESCRIPTION OF CHAMPS

Community Health Association of Mountain/Plains States (CHAMPS) is a non-profit organization dedicated to supporting all Region VIII (CO, MT, ND, SD, UT, and WY) federally-funded Community, Migrant, and Homeless Health Centers so they can better serve their patients and communities. Currently, CHAMPS programs and services focus on education and training, collaboration and networking, workforce development, and the collection and dissemination of regional data. For more information about CHAMPS, please visit www.CHAMPSonline.org.

SPEAKER BIOGRAPHIES

Amy Fidelis, CCUFC, ACC, Marketing & Education Director - After serving on *mpowered's* Board of Directors for 2 years Amy Fidelis joined staff in 2012. Prior to *mpowered* she ran an award-winning financial education program and managed community relations for a local credit union. She is excited about *mpowered's* mission to empower people to think, act, and feel differently about their money because she believes in the power of behavior change and helping people understand their relationship with money.

Carlos Colón, ACC, Personal Finance Coach - Carlos joined *mpowered* as a bilingual Personal Finance Coach. One of his primary roles as Coach is to provide our financial education services in support of the growing Spanish speaking community of Colorado. He is particularly excited to serve our diverse population through a local, nonprofit, and mission-driven organization. He also has experience as a post-secondary educator and is thrilled to contribute to our community enrichment classes through *mpowered's* extensive and growing network of partners.

PRESENTATION RESOURCE LIST

www.annualcreditreport.com

www.myfico.com

www.ftc.gov/credit

www.consumerfinance.gov

www.cicmoney101.org

www.powerpay.org

www.justice.gov/ust

www.nsls.ed.gov

<http://studentaid.ed.gov/>

<http://www.studentloanborrowerassistance.org/>

<http://www.consumerfinance.gov/students/>

1-877-601-HOPE



2009 Wadsworth Blvd.
Suite 100
Lakewood, CO
80214

mpoweredcolorado.org
p(303) 233-2773
f(303) 233-2797

YOUR CREDIT FILE

The three nationwide agencies that monitor your credit file are:

Experian

PO Box 2002 Allen, TX 75013

Equifax

PO Box 105873 Atlanta, GA 30348

Transunion

PO Box 1000 Chester, PA 19022

Ordering Your Credit Report

By Phone: Call 877-322-8228. Be sure to follow the prompts to order copies of ALL THREE of your free credit reports. This is an automated system; you will not speak with a live person.

By Internet: www.annualcreditreport.com. Be sure to follow the prompts to order copies of ALL THREE of your free credit reports.

By Mail: Provide your name, current address, previous address if you have been at your current address for less than two years, social security number, and date of birth. Also, make a copy of your identification to send.

Stop Credit Card Solicitations!

- Call 888-5-OPT-OUT or visit optoutprescreen.com to stop phone calls for pre-approved credit offers.
- To remove your name from many direct mail lists, visit dmachoice.org or send your name and address along with \$1 check or money order to DMAchoice, Direct Marketing Association, PO Box 643, Carmel, NY 10512.
- To reduce telephone solicitations, register your phone number at donotcall.gov or call 1-888-382-1222 from the telephone number you wish to register.

Resources to Check Out

- www.myfico.com Loan and Investment Calculators
- www.cob.uscourts.gov Colorado United States Bankruptcy Court
- www.irs.gov Tax Withholding Calculator
- (877) 601-4673 Colorado Foreclosure Hotline

A FICO Credit Score can run from 300 – 850
A good FICO credit score is above 640



Create Great Credit

Wednesday, May 21, 2014

12PM-1PM Mountain Time / 1PM-2PM Central Time

Lunchtime Learning: Professional Skill Development

Distance Learning Series, Part 2 of 6

Hosted by:



www.chn.org

www.champsonline.org



CCHN & CHAMPS May 21, 2014



Create Great Credit

Presented by Amy Fidelis & Carlos Colón

www.mpoweredcolorado.org

Interactive Poll

Have you ever looked up your credit score?

- Yes
- No
- Not Sure
- Mixed Responses



Interactive Question

How many total people are watching this event at your computer (yourself included)?



Learning Objectives

1. Identify how credit relates to personal goals.
2. Understand how to access credit reports.
3. Identify what information is contained in a credit report.
4. Identify what credit scores are and how to improve them.
5. Utilize credit reports to understand and improve personal finances.



mpowered



Founded in 2002, *mpowered* is the only Colorado-based nonprofit resource for individuals and families in Colorado who want to **learn** about money management and participate in **coaching** to overcome financial challenges and **achieve** their personal definition of financial success.



Changing the Conversation

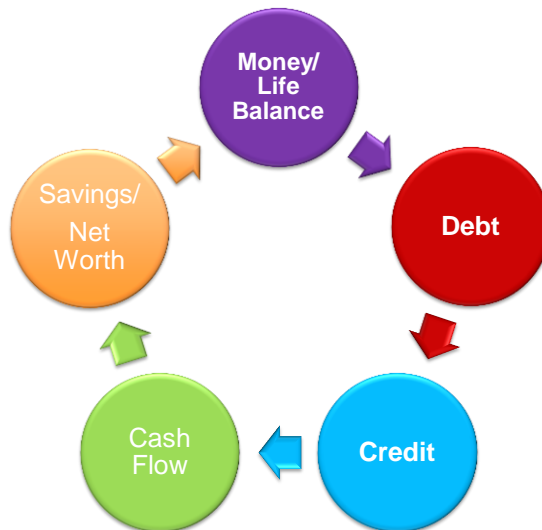
Our mission is to empower families and individuals to think, act and feel differently about their money.

Join *mpowered* as we change the conversation around money management and financial education in Colorado.



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5 Foundations



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What is Credit?

- Your reputation as a borrower - tells others how likely you are to repay your loans.
- Money that you borrow.
- Would you loan me \$10?



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Interactive Question

Who might use your credit report?

- A. Lenders
- B. Landlords
- C. Insurance companies
- D. Some employers
- E. Military
- F. A-C
- G. All of the above



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When Is Credit Important?

- Checking Account
- Job offer
- Place to rent
- Car loan
- Car insurance
- Mortgage/ home loan
- Start electricity service



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Why Have Good Credit?

- Job offers
- Lower deposit requirements on leases & utilities
- Lower insurance rates
- Improved chances for loan approval
- Good credit saves you money!
- Lower interest charges



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Real Cost of Low Credit

760	600
<ul style="list-style-type: none">• \$200,000 loan• 30 year term• 3.99% A.P.R.• Payments = \$953.61 per month• Finance charge = \$143,298.27	<ul style="list-style-type: none">• \$200,000 loan• 30 year term• 9.5% A.P.R.• Payments = \$1,681.42 per month• Finance charge = \$405,305.48



Source: "Managing Credit & Debt"
Jump\$tart Fiscal Fitness Workshop 2012

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3 National Credit Bureaus



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Your Credit Report

- Loan information forms the basis of your credit score
- Includes a variety of personal information
- Details of your creditors and your loans
- Inquiries



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Your Credit Report

- Name of lender/ credit card company
- Account number
- Loan type & responsibility
- Date account opened and date of last activity
- High credit/ Credit limit
- Current balance
- Terms



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Interactive Question

What is always reported to the credit bureaus?

- a) Mortgage Payments
- b) Rent Payments
- c) Utility Payments
- d) Phone Contracts



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Your Credit Report – What Is Reported?

Always Reported

- Credit cards
- Home loans
- Car loans
- Student loans
- Lines of credit

Only Reported When Negative

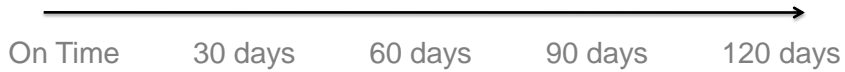
- Late loan payments
- Medical Bills not paid
- Rent not paid
- Utilities not paid
- Payday loans
- Public records:
 - Bankruptcies
 - Tax liens
 - Judgments filed against you



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Your Credit Report

- 2-Year payment history by month



- After 120 days late:



Your FICO Credit Score



Your Credit Score

- Snapshot of your credit at one point in time.
- Used by lenders to make loan decisions.
- FICO score is most widely used.
 - Calculation created by Fair Isaac & Company
 - This score is sold to lenders



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Interactive Question

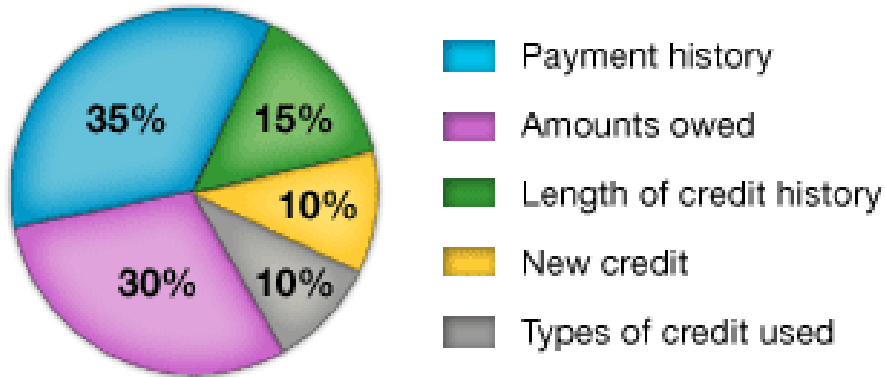
What is the biggest contributing factor to your credit score?

1. Amount of new credit
2. Types of credit in use
3. Payment history
4. Amount owed
5. Length of credit history



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Your Credit Score



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Improve Your Credit Score

1. Check for mistakes & dispute errors.
2. Pay your bills on time, as agreed, every month.
3. Pay down your debt.
4. Keep older accounts open.
5. Apply for new loans cautiously.



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Sample Dispute Letter

- Sent to each bureau that shows the error
- Your name & social security number
- Account number & name
- Reason the information is incorrect

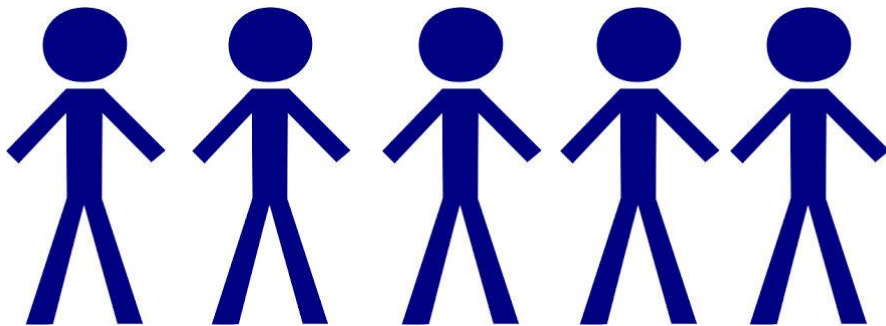


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Interactive Question

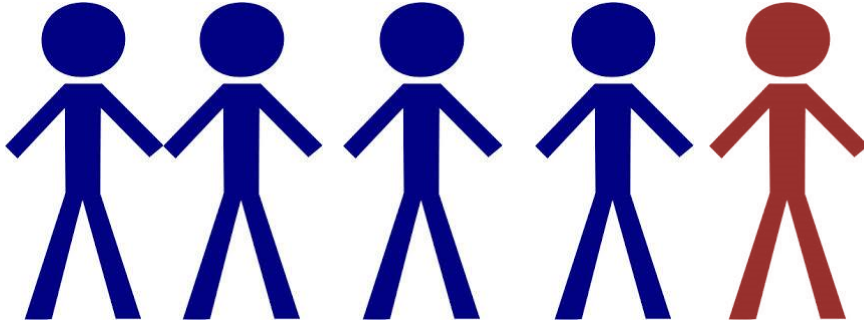


How many consumers who filed disputes experienced some modification to their credit report?



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***4 out of 5 consumers who filed disputes
experienced some modification to their
credit report***



<http://www.ftc.gov/news-events/press-releases/2013/02/ftc-study-five-percent-consumers-had-errors-their-credit-reports>



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Dealing with Debt

- Develop a spending plan
- Contact your creditors
- Deal with debt collectors
- Consider housing and credit counseling
- Avoid debt settlement
- Choose a plan of action



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Dealing With Debt

- Pay according to original terms
- Pay on revised terms
- Pay in lump sum
- Consolidate
- Debt management
- Bankruptcy
- ~~Nothing~~



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Don't Use Credit As A Crutch

- Set up an **emergency fund** with your own cash
- **Pay** your credit card balance **in full** each month
- **Create and name** specific savings accounts for different goals
- Having money for a **down payment** on large purchases can lower the cost of a loan.



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For More Information

1. www.mpoweredcolorado.org
2. www.annualcreditreport.com
3. www.myfico.com
4. www.ftc.gov/credit
5. www.consumerfinance.gov
6. www.cicmoney101.org
7. www.powerpay.org
8. www.justice.gov/ust
9. www.nslds.ed.gov
10. <http://studentaid.ed.gov/>
11. <http://www.studentloanborrowerassistance.org/>
12. <http://www.consumerfinance.gov/students/>
13. 1-877-601-HOPE



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Questions?



Amy Fidelis, CCUFC, ACC, Marketing & Education Director

303-233-2773

amy@mpoweredcolorado.org



Please feel free to contact me for:

- ❖ Individual follow up
- ❖ Personal finance & credit news & tools

www.mpoweredcolorado.org



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Community
Health
Association of
Mountain/
Plains
States

Your opinions are very important to us.

Please complete the Evaluation for this event. Those attending the entire event and completing the Evaluation questions will receive a Certificate of Participation.

Each person should fill out their own Evaluation Survey.

Please refer to the SurveyMonkey link provided under the "Handouts" tab of the online event. The same link was provided in the reminder email sent out in advance of the event, and will be included in a follow-up email to those logging onto the live event. Please pass the link along to others viewing the event around a shared computer.

To learn more about trainings offered by CHAMPS and CCHN, please visit:

www.CHAMPSonline.org/Events/

www.CCHN.org/training-and-events

