

## Assignments

### Financial Plan Assignments

Your assignment is to put together your Credit Plan. I recommend you use [PFP Credit Use Template](#) (LT01-07). This will help you evaluate how you are doing in managing credit wisely. Since credit evaluation and credit scoring are important tools in the acquisition of a home and other important purchases, it is important that you understand where you stand.

**Vision.** What is your vision for Credit? Again, this need not be long.

**Goals.** What are your goals for using and managing credit wisely.

**Plans and Strategies.** For Credit Cards, answer the following for each credit card you have (bold items are required--see Chart 1: Credit Card Rates). If you have no credit cards, state that you have no credit cards and complete your action plan on views of future debt and perhaps your plan to obtain a credit card.

**Credit Report.** Get a copy of your credit report. If you are from the United States, you can, by law, obtain one free copy of your credit report each year from one of the major credit report suppliers (Experian, TransUnion, or Equifax). Go to [www.annualcreditreport.com](http://www.annualcreditreport.com) and supply the necessary information. You will select one of the major providers and input the necessary identification information, and the credit reporting agency will provide you a copy of your credit report online.

Once you have your credit report, read it thoroughly and ensure it is accurate. If there are problems, follow the process we discussed to improve your score and remove inaccuracies from your credit reports.

**Credit Score.** Finally, go and obtain your credit score. This score is used by many industries to determine the type of credit risk you are. While we prefer a FICO score, which is used by 85% of the industry, you are welcome to go to free locations, such as [www.creditkarma.com](http://www.creditkarma.com) review your credit score (they actually use VantageScore 3.0). It can give you an idea of how others see your credit usage. They generally will use either the TransUnion or Equifax credit data to calculate your score.

Read through your credit score report in detail. Write down the things you can do to improve your credit score and work on them as part of your Plans and strategies. Under your Action Plan, what are the things you are going to do to improve your credit usage and to be better at wisely managing credit?

Finally, finish by writing your Constraints and Accountability.

### Chart 1: Credit Card Rates

<b>Annual Percentage Rate for Purchases</b> (fixed or variable)	%
Cash Advance APR (fixed or variable)	%

Balance Transfer APR (fixed or variable)	%
Overdraft Advance APR (fixed or variable)	%
Variable Rate Information (Index is _____)	
Purchase And Balance Transfer APR (Index + _____.__%)	%
Cash Advance APR (Index + _____.__%)	%
Default APR (Index + _____.__%)	%
<b>Grace Period</b> (in days)	
<b>Method of Computing Balance for Purchase</b>	
<b>Annual Fee</b>	
Minimum Finance Charge	
Transaction Fee for Balance Transfers	
Transaction Fee for Cash Advances	
Late Payment Fee	
Over-the-Credit-Limit Fee	
International Fee	
<b>Credit Limit</b>	
Date Opened (if available)	