



Mary Hurlburt



Mary Hurlburt is the Financial Counseling and Education Manager for LifeSpan’s Financial Counseling and Education Program. In addition to 21 years of counseling and outreach experience, Mary has a successful track record of creating and implementing financial education programs for adults and partnering with local businesses, non-profit organizations and government agencies.

She is often a featured presenter at both local and state venues. For eight years Mary traveled Ohio during the summer months at the invitation of the Ohio State Treasurer’s Office. A select group of financial “trainers,” all considered experts in their fields, taught various areas of financial education for a program known as Women and Money (now called Smart Money Choices). In 2009 she earned the Small Business Administration’s Financial Champion of the Year Award for her efforts in helping small business owners and she volunteers as a resource counselor for SCORE.

Mary’s husband owns a small business so when she speaks about the importance of good credit for business owners she’s speaking from personal as well as professional experience.

About SCORE



- Successful and experienced executive volunteer mentors available to assist those in business or starting a business
- SCORE is a resource partner of the Small Business Administration (SBA). Our mission is to help aspiring and existing businesses succeed. Since then, we've helped over 10 million people in pursuit of their business goals.
 - 11,000+ volunteer across more than 300 chapters across the U.S. with > 1 million hours of service
 - Since 2009*:
 - 299,389 Businesses Started
 - 359,101 Jobs Created
 - 386,277 Businesses Increased Revenue
- Services Offered
 - Free Mentoring - Face-to-Face, E-mail, Telephone & Skype
 - Seminars and workshops – local in person & on line
 - Variety of business resources for small businesses
 - Free Business Briefs
 - Links to local and state resources
 - Success Stories
- Contact SCORE Today for a Mentor www.score.org

Personal Credit & Business Owners

- Your credit report serves as your financial reference to companies you want to do business with.
- As a business owner, when you apply for credit for your business, your personal credit will also be checked.
- Your personal credit will factor into whether you will receive credit and how much you will pay for it.
- Personal credit factors into all the borrowing you do: loans, vendors, turning on utilities etc.

What's In A Credit Report

- **Identifying Information:** name, address, social security number, birth date, employment history.
- **Trade Lines: credit accounts** – type of account (credit card, mortgage etc.), account balance, & payment history. Also Collection items.
- **Public Records:** bankruptcies, foreclosure, suits, wage attachments, liens & judgments.
- **Inquiries:** Who has looked at your report for the past two years.

The Players

Experian

ATTN: NCAC

PO Box 949

Allen, TX 75103-0949

www.experian.com

888-397-3742 Ph

972-390-3809 Fx

Equifax

PO Box 7420241

Atlanta, GA 30375

www.equifax.com

800-685-1111 Ph

888-664-4535 Fx

Transunion

PO Box 7000

North Olmstead, OH 44070

www.transunion.com

800-916-8800

To “Opt Out” of credit offers:

888-567-8688

Free Credit Report

Free reports:

Website:

www.annualcreditreport.com

Phone: 1-877-322-8228

Mail:

Annual Credit Report Request Service

P.O. Box 105281

Atlanta, Georgia 30348-5281

Personal Information

- **Name**
- **Address**
- **Social Security Number**
- **Birth Date**
- **Current and former address**
- **Current and former employers**

Credit History – Trade Lines

- Essentially, how you've paid your bills the last seven years (Bankruptcy - 10)
- Usually includes: mortgages, credit cards, car payments, installment loans and collection items.



Public Records

- **Bankruptcy**
- **Back Taxes**
- **Judgments**
- **Back Child Support**
- **Liens**
- **Defaulted Student Loans**

Some Definitions

- **Bankruptcy 7 or 13** is a judicial action.
- A **judgment** is a judicial action affirming debt is owed to another.
- A **lien** is a legal claim against a property (asset) that must be satisfied.
- **Foreclosure** is a legal procedure that indicates inability to pay a mortgage.
- **Collection accounts** are unpaid debts reported as sold to a collection agency.

Inquiries

- **Will stay on your report for two years**
- **Soft pulls will not hurt your credit**
 - You pull your own, you receive an offer for credit in the mail, an employer etc.
- **Hard pulls *might* hurt your credit**
 - This is usually when you are asking for credit

Credit Report Errors

- Over 79% of credit reports have errors and of that 79%, 25% of those have errors that could get you denied credit.
- If you find an error, dispute it immediately online, by mail or phone.
- Disputing inaccurate items is free. The credit bureaus have 300 days to research and send a response.
- Can't change history – no such thing as “fixing credit” or guaranteeing that your score will go up.

Monitoring Credit

- Do it yourself
 - www.annualcreditreport.com
 - www.myfico.com
 - www.creditkarma.com
- Bank or Credit Union
- Credit Cards
- Private Service

These Do Not Influence Credit

- Age
- Race
- Gender
- Religion
- National Origin
- Marital Status
- Source of Income
- Income Level

Build A Better Credit History

- Consistently pay bills on time.
- Pay down current debt.
- Apply for an unsecured credit card, use for small purchases and pay the bill in full each month.
- Apply for a loan and make on time payments.
- Check your credit report regularly and correct errors.
www.annualcreditreport.com

FICO Scores

- Credit scores most lenders use to determine your credit risk.
- You have three FICO scores, one for each of the three credit bureaus:
 - Experian
 - TransUnion
 - Equifax
- Each score is based on information the credit bureau keeps on file about you. As this information changes, your credit scores tend to change as well.
- Your FICO Scores affect both how much and what loan terms (interest rate, etc.) lenders will offer you at any given time.

About Credit Scores

- Fair, Isaac & Co. calculates credit scores
- FICO calculates scores for Equifax, Trans Union & Experian.
- FICO scores range from 300-850
- FICO's model is used over 790 times a SECOND!
- Bankers and lenders have purchased over 10 billion FICO[®] scores

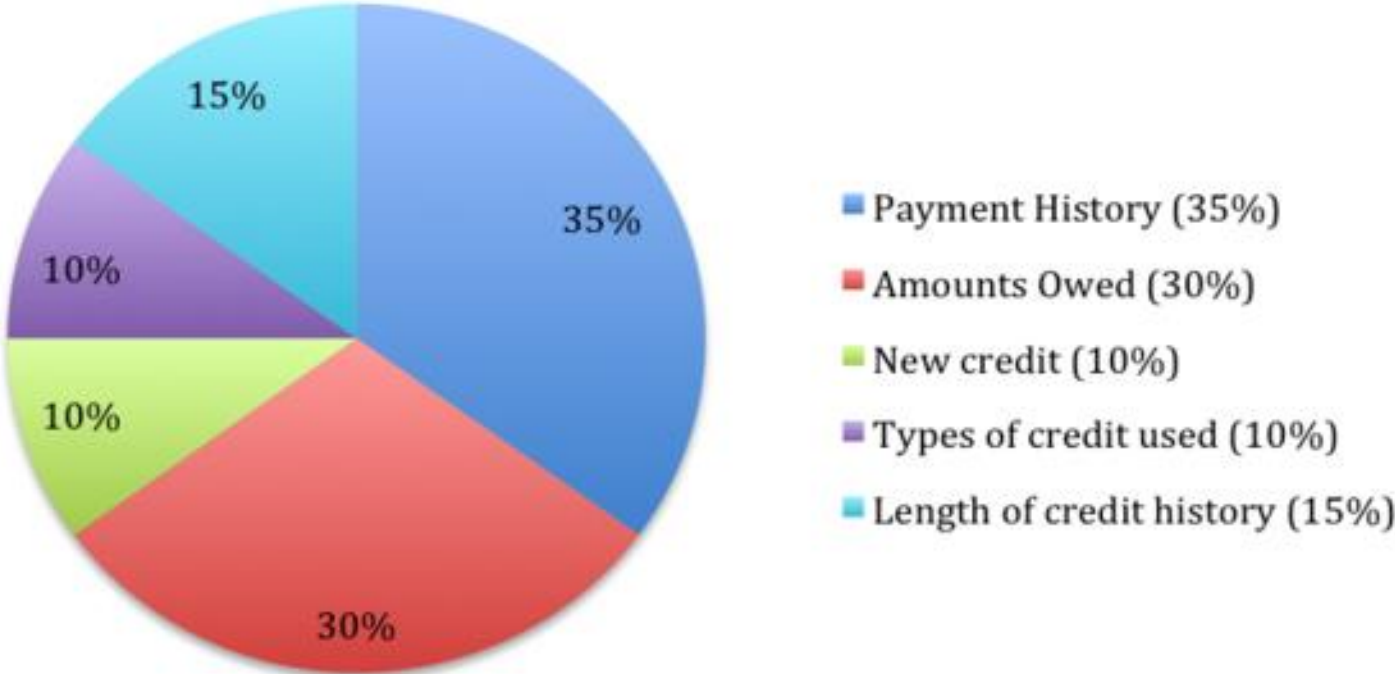
FICO SCORES- Where Do They Come From?

- Bill Fair and Earl Isaac & Co.

Typical Classification Of Credit Scores	
Credit Score	Description
730-850	Excellent
700-729	Great
670-699	Good
600-669	Average
300-599	Poor

- Scores range from 300 to 850
- To have a score, consumer must have (1) account aged 6 months or older and updated account at a national repository within 6 months
- www.myfico.com to learn more

Makeup Of A Credit Score



Improve Your Score

- Number 1 – Pay all bills on time!
- If you've missed a single payment, catch up.
- Keep balances low on credit cards – less than 30%
- Pay off debt. Moving it around doesn't help.
- Don't close your oldest account.
- Apply for new credit only when you need it.
- Shop for large ticket items in a short time period

What Lowers Your Score

- Late payments
- No available credit
- Collection items
- Public records such as bankruptcy or judgments

Credit Myths

- I keep my personal and business lives separate. My business finances are just fine and that's good enough.
- I have a tax ID number I'm using instead of my Social Security number so no one even knows what my personal credit is like.
- As soon as I pay everything off and it disappears from my credit report, I'll be find.
- I've been approved, I'm free and clear. The bank has to honor its commitment.
- I've already messed up my credit. There's nothing I can do about it now. I'll never get a business loan.

Resources

- Resources to help you with your credit score and provide you with valuable information on ways to manage your credit report and score
 1. The annual free credit report service
www.annualcreditreport.com
 2. Fair Isaac & Co. www.fico.com
 3. U. S. Federal Trade Commission www.ftc.gov
 4. Credit Karma www.creditkarma.com



Thank You!

Contact SCORE Today for a Mentor

www.score.org

We have the small business expertise you're looking for!