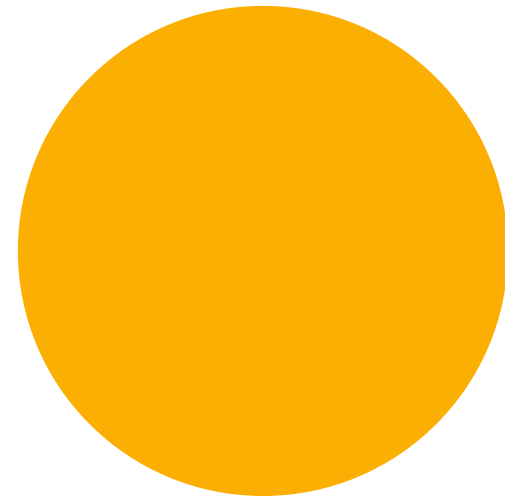


The Personal Finance Series

Building Credit



In this Presentation

Here's what we'll cover:

What is a Credit Card

.....

Advantages v. Disadvantages

.....

Debit v. Credit

.....

Best Practices

.....



Credit Cards

Is using other people's money for a fee (interest rate).



1. Only use if you can pay it back
2. It is not free money
3. USE RESPONSIBLY

Advantages

- Build credit which will help you with future purchases like a home or a car.
- YOU ARE NOT WORTH THE NUMBER OF YOUR CREDIT SCORE
- Use towards reduced purchase of vacations, airplane tickets, etc.

Disadvantages

- You need extreme discipline in order to remain in control and not fall prey to late fees, and over utilization
- Can quickly fall into debt that you can't pay for, making the item more costly
- Hard to rebuild, and get more if you abuse.



Real Life: Credit vs. Debit

Debit v. Credit

Here are some of the most common items one budgets for during post-collegiate years. These will vary on things like, will you have a room mate to split fees with? Will you stay at home and save before launching out into the world? Will you rent or buy your vehicle? How much debt will you be in once graduating? Student Loans?

1. Can both have overdraft/over the limit fees
2. Need to check monthly to ensure charges are accurate
3. Debit is money you made deposited into your checking account
4. Credit is money you haven't earned extended to you
5. Keep a log of expenses as to not go over limits

Real Stories: How Will You Track?

Avoiding costly mistakes can be easy.

Track your expenses diligently.
Be conservative with your spending.
Stay on top of your accounts.

Credit Card Log

The following form is to be used to keep a record of the usage of the Company Credit card transactions. This report is to be filled out and submitted monthly, accompanied by the credit card statement to [<Insert Contact Position and Information>](#)

Transaction Date	Description (i.e. what was purchased)	Transaction Amount	Merchant Name	Transaction Fee	Balance
Click here to enter a date.					
Click here to enter a date.					
Click here to enter a date.					
Click here to enter a date.					
Click here to enter a date.					
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Best Practices

1

Set up automatic payments to make payments on time

2

Pay more than the minimum payment each month or the full debt owed, if possible

3

Log payments so that you don't hit your credit limit (keeping credit usage below 30 percent of the credit limit is best)

4

Credit mistakes can impact your financial and mental health for years to come

5

Correction of credit missteps is costly!

Do you have any questions?

Send it to us! We hope you
learned something new.

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