

THE CORNERSTONE

In this age of e-commerce, we are reminded how important it is to maintain a good credit score. Credit scores determine whether you are offered a loan, receive a preferred interest rate, an insurance policy or even a job. Many businesses use the credit score as a way to assess fiscal responsibility. The score can range from 300 to 850. Here are some suggestions to track your credit score:

- Get a free credit report each year. By law, credit bureaus are required to provide a free credit report each year. Go to www.AnnualCreditReport.com to request a report from the three reporting companies, Equifax, Experian and TransUnion.
- Check the accuracy of the information. Review previous jobs, addresses and accounts.
- Take special care to ensure accounts that you intend to be closed have, in fact, been closed. If not, contact the company holding the account immediately. Errors on the credit report need to be made known to the appropriate reporting companies in writing.

Two of the most important factors making up the credit score are payment history and amount owed.

- Always pay bills on time, even if it means paying only a minimum amount. One late payment has a negative impact.
- Set up automatic payments from your checking account so you don't inadvertently miss a payment. Keep your debt-to-available-credit ratio to a minimum.
- Never max out a credit card.
- Do not open many credit accounts.

The optimal goal, from a biblical perspective, is to live debt-free. ("the borrower is slave to the lender." Proverbs 22:7b) Being burdened by debt draws our attention away from the joy of life found in the freedom of Christ. Instead we become weighed down by obligations and money worries. Stay focused on the goal of being debt-free and always pay off your monthly bills in full.

If you have questions, please contact the Alaska Baptist Foundation, 907.770.0581, 800.883.9627, foundation@alaskabaptistfoundation.com.

Information used from: <http://www.guideston-retirement.org/AboutUs/Articles/KeepingScoreYourCreditScore>

