



Financial Spring Cleaning: Tips For Tidying Up Your Finances

For many Americans, the onset of spring and fresh air outside means spring cleaning inside. It's time to swap winter clothes for spring/summer ones and to get rid of the dust and clutter that's built up over the cold months. Spring also is a great time to put your finances in order and save money in the process.

Family Foundations suggests the following tips for tidying up your finances.

- **Get to know your credit report better.** Dedicate spring cleaning time as the annual time to review your credit report, which you can get for free at www.annualcreditreport.com or by calling (877) 322-8228. A credit report contains information about your credit and loan history including amounts and payment history and is used extensively by potential lenders to evaluate your credit worthiness. Read each report carefully as there may be discrepancies between the three credit bureaus. Also, check for negative information such as civil judgments, tax liens or Chapter 7 and 13 bankruptcies. If you find errors, file a dispute with the credit bureau.
- **Clean up bad credit.** Fixing bad credit is about getting back on track by paying bills on time and budgeting and using credit wisely. At the first sign of a late or missed payment inform creditors of your present situation and how you plan to resolve your financial problems. If you have a good payment history, you may be able to negotiate your next payment. Pay down the credit cards and loans with the highest interest rates first. If you can't pay off your monthly credit card balance in full, at least resolve to pay more than the minimum while you work off the debt.
- **Throw away old paperwork.** You can shred ATM receipts and bank deposits after appearing on bank statements. Pay stubs also can be shredded after matching them with your year-end statement. In fact, properly disposing of these can help prevent identity theft. You don't need to keep your utility statements if you've already paid them. After checking to make sure your credit card statement is accurate and you have paid the bill, you can shred your credit card statements. To prevent identity theft when tossing out paperwork at home, Family Foundations recommends using a paper shredder, available at your local office supply store. You also can check with your local bank to see if they offer free shredding throughout the year.
- **Go paperless.** One additional way to cut down on the paperwork is to opt for electronic bills to be sent to your password-protected email. Decreasing the number of bills sent to your home also can help fight identity theft. Identity theft is the nation's fastest growing crime with about 19 people becoming a new victim every minute, according to the Identity Theft Resource Center. Make sure to keep your passwords safe and your online bill payment method secure. Contact the following if you think your identity has been stolen: Equifax 1-800-685-1111, Experian 1-800-397-3742, TransUnion 1-800-888-4213 and FTC 1-877-438-4338.
- **Consolidate the clutter.** Not knowing where anything is can result in multiple purchases of the same items. Keeping a place for everything and putting everything in its place can save you time and money in the future. Harris Interactive, the 12th largest and fastest growing market research firm in the world, found that 23 percent of adults say they pay bills late - and thus incur fees - because they lose the bills. In addition to substantial late fees, misplacing bills could potentially lower your credit score.

- **Decrease the plastic in your wallet.** Limit the number of credit cards you own and carry. Use just one card if you can - the fewer you have, the easier it is to remember your balance and keep track of total purchases. If you're unsure which credit cards to cancel, carefully read your monthly statements to check out the annual fee, the interest rate you'll pay and any charges for overdue payments or going over your credit limit.
- **Ask an expert.** If you don't know where to start or you're not sure what to keep or toss, consider contacting Family Foundations. From financial education to debt management services, Family Foundations' nonprofit agencies have certified credit counselors who offer low-cost and free financial educational information, money and credit management advice and debt reduction services.

Family Foundations stands ready to help. To reach us, call (904) 396-4846 or go online to www.familyfoundations.org.

About Family Foundations

You don't have to solve your financial problems alone. Family Foundations has trained and certified credit counselors who offer financial management and debt reduction services. Family Foundations is a nonprofit, community-based organization and a Member of the National Foundations for Credit Counseling (NFCC). For more information on Family Foundations, call (904) 396-4846 or visit www.familyfoundations.org.