



Debt can weigh down one's credit if not addressed. Identify what steps may be needed to tackle your debt and ensure accuracy of all reported information. Consider how and why you might prioritize certain debts over others.

**1. Dispute: Address Errors and Identity Theft**

Debts that are not accurately reporting or that do not belong to you, should not appear on your credit report. Take action immediately to request any necessary changes. If you are a victim of identity theft, visit [identitytheft.gov](http://identitytheft.gov) to report and resolve the issue.

To dispute errors, include supporting documentation with your dispute letters and keep a copy for your records.

Name of Account/Creditor	Bureau Reporting Debt	Reason for Dispute	Date Letter Sent	Resolved
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

**2. Prioritize Active Debt Payments**

Paying on time is most essential to maintaining a strong credit score. Consider opportunities to pay more than the minimum payment to save in total interest paid.

There are a few ways to evaluate how to schedule those additional payments, including:

- Pay highest interest accounts first
- Pay smallest balance accounts first
- Increase the amount paid monthly
- Other \_\_\_\_\_
- Make multiple monthly payments to reduce total interest cost
- Retain aged credit accounts for longevity
- Other \_\_\_\_\_

Work with your financial coach to maximize your budget and identify a debt repayment calculator that can help you develop your debt repayment plan.

**Notes** \_\_\_\_\_  
 \_\_\_\_\_



### 3. Budget and Save to Reduce or Pay Off Debt

If and once all active accounts are paid on time, consider opportunities to satisfy old debts, such as charged off/written off debts. When possible, satisfy debt prior to it reaching collection status. Consider how the payment method you choose (lump sum settlement v. payment arrangement) might also affect your timeline for goal achievement.

How much can I afford to pay today towards debt? \_\_\_\_\_

How much can I afford to save monthly towards debt? \_\_\_\_\_

What other sources of funds or opportunities can I apply to debt payouts?

\_\_\_\_\_  
*For example, can I reduce expenses, request a raise, work overtime, seek a part-time job, apply my EITC funds or a gift, etc.?*

Source of Funds	Anticipated Amount	Amount to Be Allocated Toward Debt	Date Expected	Account(s) to Be Satisfied
	\$	\$		
	\$	\$		
	\$	\$		

### 4. Reduce or Pay Off Accounts in Collections

Unpaid debts can have serious consequences, including costing you additional money in fines and fees, wage garnishment, judgments, etc., not to mention limit one's ability to access financial products, such as home purchase. When satisfying, prioritize any high risk accounts while also considering the date that a debt is scheduled to fall off of your credit report, the statute of limitations in your state, your goals, and your timeline. Keep a record of all correspondence.

Debt/Creditor	Settlement Amount	Date Paid	Resolved
1.	\$		<input type="checkbox"/>
2.	\$		<input type="checkbox"/>
3.	\$		<input type="checkbox"/>
4.	\$		<input type="checkbox"/>
5.	\$		<input type="checkbox"/>