

## ANALYZING A CREDIT REPORT & SCORE

### STUDENT SIMULATION WORKSHEET

Name(s): \_\_\_\_\_

**Directions:** To complete this activity, you'll be in **Overview**, **Transactions** and **Credit Score** tabs.  
The final question will take you out of Mint to TransUnion's website.

#### PART 1: OVERVIEW & TRANSACTIONS

Scott is currently in debt. From the **Overview** tab, we see the total debt owed on each account. Then, switching to the **Transactions** tab, we can look for his most recent payment for each.

	TOTAL	RECENT MONTHLY PAYMENT
1. Scott's Auto Loan	\$ <span style="border: 1px solid red; padding: 2px;">Balance varies depending on month. Auto is over \$5k, College is over \$20k, Credit Card is usually 1k - 2k.</span>	\$ <span style="border: 1px solid black; padding: 2px;">280.00</span>
2. Scott's College Loan	\$ <span style="border: 1px solid red; padding: 2px;">Balance varies depending on month. Auto is over \$5k, College is over \$20k, Credit Card is usually 1k - 2k.</span>	\$ <span style="border: 1px solid black; padding: 2px;">205.00</span>
3. Scott's Credit Card	\$ <span style="border: 1px solid red; padding: 2px;">Balance varies depending on month. Auto is over \$5k, College is over \$20k, Credit Card is usually 1k - 2k.</span>	\$ <span style="border: 1px solid red; padding: 2px;">Varies. Sometimes Scott pays minimum, sometimes he pays more.</span>

Scott was recently charged a late payment fee for one of his debt accounts.

4. What is the amount? \$30.00

#### PART 2: CREDIT REPORT

Scott's credit score is shown at the top, followed by the factors that make up the score.

5. What is Scott's credit score? 641

6. Scott's overall credit score is considered:  
 Excellent  Very Good  Good  Fair  Poor

7. Scrolling down, list the six (6) factors that impact Scott's credit score. Then, put a checkmark next to the two that are considered "high impact" on Scott's score.

On-Time Payments	X	Credit Usage	X	Average Age	
Total Accounts		Credit Inquiries		Derogatory Remarks	

Look at the **On-Time Payments** section of the Credit Score tab.

8. What is Scott's ranking on this area?  
 Excellent  Very Good  Good  Not Bad  Poor

In the On-Time Payments section, click on "View Details" to see Scott's entire payment history.

9. What percent of payments has Scott made on time? 92 %

10. How many late payments has Scott had on all his Mil Star account?

Look at the **Credit Usage** section of the Credit Score tab.

11. What percent of Scott's total credit available is he using?  %

12. A year ago Scott was using 50% of his credit and had a lower score. Therefore, do we learn from Scott and Mint that it is better to:

- Use as much of your credit limit as you can and/or max out your cards  Use as little of your credit limit as possible and/or apply for increased credit limits

Look at the **Average Age of Credit** section of the Credit Score tab.

13. What is the average age of Scott's credit?  years

14. According to Mint, lenders prefer people who have a  history of established credit.

Look at the **Your Total Accounts** section of the Credit Score tab.

15. How many total accounts does Scott have?

16. Having this number of accounts gives Scott a poor rating. That implies that a good score is earned by having:  Very few accounts  Many accounts: loans and credit cards.

Look at the **Your Credit Inquiries** section of the Credit Score tab.

17. How many total inquiries does Scott have?

18. Click on details of Credit Inquiries. Scott's inquiries came in 2017 when he was looking to get a loan for:

- College  A House  A Car  A Credit Card

19. According to Mint, inquiries come when Scott  for credit.

20. Credit Inquiries:  Improve your score  Have a negative effect on your score

**For the last question, look at the disclaimer at the bottom of the page.**

21. What is TransUnion? Also, how often is someone entitled to a complete free credit report?

Major credit reporting agency.  
1 time per year from each agency

**Application to Real-World****Final Task: Building Good Credit****Exit Slip:**

Using a sticky note, index card, plain half sheet of paper, or below, write an answer to these two prompts:

**Question**

For credit, we saw that Scott's 92% on time payment translates into a bad score. Even though 92% seems high, it is not good enough for creditors. How would an employer, coach, or school rate you if you were late 8% of the time? If possible, use an example from your life.

I would be in trouble if I was late 8% of the time. Kicked off the team. Fired. Detention.

**Scenario**

You find out a friend is going car shopping. They plan to visit 8-10 dealerships and look at all kinds of cars. Car dealerships often ask prospective buyers if they would like them to run a credit inquiry. What advice would you give your friend about having a credit inquiry at each dealership after what you saw in Mint about credit inquiries?

Say NO. Only do 1 credit inquiry. Wait until you are for sure you want to buy and do only 1.

\*Be sure to include your name on your exit slip.