

# Table of Contents

What is Debt?.....	1
Interest .....	1
Collateral .....	2
Good Debt and Bad Debt.....	2
How Much Debt Is Too Much?.....	4
Calculate Your DTI .....	5
How to Make a Budget .....	6
Budget Worksheet .....	7
Credit Cards, Charge Cards & Debit Cards .....	8
Pay Credit Card Bills on Time.....	10
Prepaid Cards.....	10
Reward Cards .....	11
Take Steps to Reduce Debt .....	11
Other Debt Strategies.....	13
Balance Transfers.....	13
Lower Interest Rates .....	14
Debt Consolidation .....	15
Debt-Relief Programs .....	15
Personal Loans.....	15
Credit Counseling.....	16
Debt Management Plans.....	16
How to Choose a Reputable Credit Counselor .....	17
Debt Settlement Companies .....	18
Use Caution When Shopping for Debt Relief Services.....	19
Student Loans.....	20
Types of Student Loans .....	20
Student Loan Consolidations.....	21
Student Loan Deferment & Forbearance .....	21
Income-Based Repayment Plans .....	22
Student Loan Debt Forgiveness .....	22
Bankruptcy .....	22
Ways to Save .....	23
Plan Ahead .....	26
Credit Scores.....	27
How to Find Out Your Credit Score .....	29
Building Good Credit .....	30
Maintaining Good Credit .....	31
Checking Your Credit Report.....	31
How to Get a Good Credit Score.....	33
Payday Loans.....	34
Predatory Lending Practices .....	35

Appendices .....	37
List of Approved Credit Counseling Agencies	
by the U.S . Department of Justice .....	38
Where to Get a Free Credit Report.....	47
Glossary .....	48
Sources .....	50