Understanding Your Credit Score

What affects your score and what you can control

Learn. Plan. Protect. Build.

What is a credit score?

A credit score is a number generated from information in a credit report using a particular scoring model. Lenders and other permitted users may use scores, along with other information, when making credit decisions. You can have more than one credit score because different scoring models, credit bureaus, and versions may be used.

The major factors commonly considered

Factor	What it means
Payment history	Whether accounts are paid as agreed, including late payments and serious negative events.
Amounts owed / utilization	How much revolving credit is being used compared with available limits, plus other debt information.
Length of credit history	How long accounts and your overall credit history have been established.
Credit mix	The types of credit accounts in your file, such as revolving and installment accounts.
New credit	Recent applications, inquiries, and newly opened accounts can be considered by some models.

Credit utilization in plain language

Credit utilization compares a revolving account's reported balance with its credit limit. For example, a $500 reported balance on a $2,000 limit equals 25% utilization. Scoring models may consider utilization across all revolving accounts and on individual accounts. There is no single percentage that guarantees a particular credit score.

Ways to support healthy credit habits

- Pay at least the required amount by the due date.
- Keep revolving balances manageable relative to available credit.
- Review credit reports for information you do not recognize or believe is inaccurate.
- Avoid opening multiple accounts simply to try to change a score.
- Keep older accounts in perspective before closing them, because closing an account can change available credit and account history.
- Use credit only when it fits your budget and repayment plan.

Credit report vs. credit score

A credit report contains information reported about your credit accounts and history. A credit score is calculated from information in a credit report using a scoring model. Checking a credit report does not necessarily show every score a lender might use.

When your score changes

Scores can change as information in your credit reports changes. Reported balances, payments, new accounts, inquiries, account age, and negative information can all affect scores differently depending on the model.

QIX 360 Credit Reset
Focus on the behaviors you can control: pay on time, understand what you owe, keep balances manageable, review your reports, and make new credit decisions intentionally.

My credit action plan

One account I want to focus on: _____

One balance I want to reduce: $ _____

One credit-report item I need to review: _____

My next review date: _____