FundFoundr

The Utilization Playbook

Pay before your statement closes · the AZEO method

Utilization is the fastest credit lever you can pull yourself — and it's fully in your hands while we handle your disputes. Here's how to use it the right way, in about two minutes a month.

1. Timing beats everything

Your card balance is reported to the credit bureaus on your **statement closing date** — not your payment due date. A few days after each statement closes, your card company sends the bureaus the balance from that day. That's usually about **3–4 weeks before your payment is due**. So paying by the due date keeps you in good standing, but the balance the bureaus saw was already locked in weeks earlier. To lower the number on your report, pay it down **before the statement closes**.

PAY BEFORE IT CLOSES · this is the balance the bureaus see

Statement opens	→	Statement closes	→	Payment due
cycle begins		balance reported		~3 weeks later

Find your closing date in your card's app or on your statement (look for "closing date," not "due date"). Most cards report a few days after that; a few report on their own schedule, like the end of the month.

2. How low is low enough?

"Under 30%" is a floor, not a goal. The strongest scores tend to sit **under 10%**, with the sweet spot a little under 9%. Two numbers matter: your **total** across all cards, *and* each **individual card** — one maxed-out card can weigh on you even when your total looks fine.

	AIM HERE		
All $0	1–9%	10–29%	30%+
slightly low	best range	okay, not ideal	hurts more

Good news: utilization is usually a **snapshot** — once a lower balance reports, a high month generally stops weighing on the scores most lenders use. *(A few newer scoring models look at your balance trend over time, so steady-low is always best.)*

3. The twist: don't report all zeros (AZEO)

Showing **$0 on every card** can actually score a little lower than letting one card report a small balance — the scoring models like to see active, responsible use. It's usually a small difference *(often just a few points, sometimes more on a thinner file)*, but it's free to get right. The fix is **AZEO — All Zero Except One**:

- Pick **one** card to be your "reporting" card.
- Before each statement closes, pay the **others** down so they report **$0**.
- Let that one card report a **small balance — about 1–9%** of its limit.

- Then pay it **in full** by the due date — you're optimizing what's reported, never paying interest.

Card 1	Card 2	Card 3	Card 4
$0	**$0**	**$0**	**$25** reports 1–9%

3 cards rest at $0 · 1 card reports a small balance, then you pay it in full.

AZEO is fine-tuning — most useful in the **month or two before a big application** (apartment, car, mortgage). Day to day, simply keeping every card under ~10% does most of the work.

4. The order to pay (so it's automatic)

A simple order of operations turns this into a 2-minute habit:

1 **Cards you want at $0 — pay these first.**
A few days before each one closes, bring them to zero so they report $0.

2 **Your one reporting card — pay it last.**
Just before it closes, leave about 1–9% on it. Then pay it in full by the due date.

3 **Everything — autopay for at least the minimum.**
A safety net so a payment can never slip while you're fine-tuning the rest.

About that autopay: autopay-for-the-minimum is a *backup against late payments* — not your utilization plan. You still pay balances **down manually** a few days before each card's statement closes. Think of autopay as the seatbelt and the manual paydown as the steering.

5. When something looks off

- **"My card didn't report the lower balance I paid."** You probably paid *after* it had already closed for the month — the bureaus got the older, higher number. Pay before the next closing date and it should update on the next cycle.
- **"My banking app still shows a high balance."** Card apps and the bureaus update on different clocks, and apps often lag. The number that counts for your score is the **statement closing balance** — not what the app shows mid-cycle.

Either way, you don't have to chase it. Keep paying before each statement closes, and if anything on your actual credit report looks wrong, **send it to us — we handle the disputes.**

Your 30-Day Score-Jump Checklist

One cycle. A few small moves. Done.

THIS WEEK — SET UP

- [ ] Find each card's statement closing date (app or statement — not the due date).
- [ ] Pick ONE card to be your reporting card.
- [ ] Turn on autopay for at least the minimum on every card so nothing slips.

A FEW DAYS BEFORE EACH STATEMENT CLOSES

- [ ] Pay every other card down to $0 before its closing date.
- [ ] Leave a small balance on your one reporting card — about 1–9% of its limit (see dollar targets).
- [ ] Check that no single card is sitting above ~10%.

AFTER THE STATEMENT CLOSES

- [ ] Pay the reporting card in full by the due date (no interest needed).
- [ ] Check your monitoring in about 30–45 days to watch the update land.

KEEP IT GOING

- [ ] Repeat each cycle — it becomes a 2-minute habit.
- [ ] Don't apply for new cards while we're disputing for you.
- [ ] See something odd on your report? Send it to us — we handle the disputes.

Your dollar targets

On small limits, percentages turn into small dollars fast. Aim for the balance that **shows on your statement** to land here:

Card limit	Aim for (under 9%)	Stay under (10%)	Don't cross (30%)
$300 limit	$27	$30	$90
$500 limit	$45	$50	$150
$1,000 limit	$90	$100	$300

That's the balance on the closing date — not what's left after you pay.

Planning for a big goal?

If a lender is about to pull your credit for an apartment, car, or mortgage, run AZEO for **one or two cycles** beforehand so your lowest, cleanest numbers are what they see. Mortgages are a special case: lenders often use older scoring models (and some are moving to newer ones in 2026), and whether “all zeros” or “one small balance” reads slightly better can depend on the model. **Tell us your timeline** and we'll point you the right way.

While we handle the rest

We're reviewing your reports and disputing inaccurate items for you. Utilization is the piece you can drive yourself, and it often updates within about one statement cycle — roughly 30 to 45 days, sometimes a second cycle. Keep your payments on time, keep balances low before each statement closes, and leave the disputes to us.

Questions about any of this? Reply to your welcome email or call us — we read and answer every one.

Sources: myFICO on amounts owed/utilization and how balances report on the statement closing date; Experian on reporting timing and how long high utilization affects a score; FHFA/FICO on newer trended-data models. General education, current as of June 2026.