

Short-term, Medium-term, and Long-term Goals

Short-term goals can be achieved in fewer than two months.

Medium-term goals may take from two months to three years to achieve.

Long-term goals require three or more years to achieve.

Long-term goals may be built upon short-term goals.

What Is the Relationship Between Long-term and Short-term Goals?

There is a relationship between long-term goals and short-term goals. Often, achieving a long-term goal requires reaching a set of short-term goals.

For example, in order to buy a \$960 mountain bike in four years, Miranda needs to save \$240 in each of the next four years, or \$20 each month. The short-term savings target amounts to less than \$1 per day.

Breaking long-term goals into medium- and short-term goals helps to make them seem achievable.

Lesson 10 Assessment: Answer Key

SHORT-, MEDIUM-, AND LONG-TERM GOALS

Use **Lesson 10 Assessment** to determine whether the students have mastered the concepts in this lesson. Answers are provided in the chart below.

Person	Amount to Be Saved	Amount Saved Each Month	How Many Months	How Many Years	Short- Medium- or Long-term
Abby	\$780.00	\$20.00	39	3.25	L
Ben	\$25.00	\$15.00	1.67	.14	S
Cherise	\$700.00	\$35.00	20	1.67	M
Danuka	\$800.00	\$70.00	11.43	.95	M
Emilio	\$90.00	\$50.00	1.8	.15	S
Festis	\$2,900.00	\$75.00	38.67	3.22	L

(It will take Cherise 20 months to reach her savings goal of \$700.)

The opportunity cost of saving for the future is the chance to spend money in the present. Accept any reasonable answer for each month's opportunity cost.

Examples: January opportunity cost = noisemakers and party hats for New Year's Party; February opportunity cost = red sweater for Valentine's Day; June opportunity cost = beverages and snacks for end-of-the-school-year picnic; July opportunity cost = flags, hot dogs, and apple pie for July Fourth celebration; September opportunity cost = pens, rulers and notebooks for back-to-school; October opportunity cost = pumpkins and costume for Halloween party; December opportunity cost = woolen hat and gloves for ski trip.)