

CFM FINANCIAL MANAGEMENT: FM.1 AND FM.4

Building SMART Financial Goals and an Action Plan

Detailed practice, calculation, decision-making, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT Plan
YOUR CHALLENGE Turn general wishes into measurable short-, intermediate-, and long-term financial goals supported by calculations, actions, and review points.			

New York CFM Connections: Financial Goals, Decision Making, Interest, and Time

A financial goal becomes useful when it states what the person wants to accomplish, the amount needed, the deadline, the regular action, and the evidence used to track progress. A goal should also be revised when income, costs, priorities, or the deadline changes.

Term	Student-friendly meaning
Financial goal	A specific money-related result a person plans to achieve.
SMART goal	A goal that is specific, measurable, attainable, relevant, and time-bound.
Target amount	The total amount needed for a goal.
Milestone	A smaller checkpoint showing progress toward a goal.
Automatic transfer	A scheduled movement of money between accounts.
Opportunity cost	The next-best use of money or time given up by a choice.
CLASSROOM USE All people, employers, figures, brackets, and documents in this packet are fictional. Never place a real Social Security number, employer ID, bank number, or tax document in classroom work.	

Part 1 - Turn Wishes into SMART Goals

Rewrite: save for emergencies, buy a laptop, pay for a course, and start investing.

Wish	Specific result	Amount/measure	Deadline	Regular action
Emergency				
Laptop				
Course				
Investing				

An investing goal must include purpose, time horizon, and risk awareness rather than promising a return.

Part 2 - Calculate Monthly Goal Contributions

Fictional targets: laptop \$1,200 in 10 months; emergency fund \$900 in 12 months; course \$600 in 8 months.

Goal	Target	Months	Monthly amount	Milestone
Laptop				
Emergency				
Course				
Total				

Assume no interest for this basic planning calculation.

Part 3 - Test Goals Against a Monthly Plan

Take-home income \$650; required spending \$330; flexible spending \$120.

Item	Amount	Calculation	Decision/effect
Income			
Required			
Flexible			
Available for goals			
Goal total			
Surplus/deficit			

Do not remove required costs without explaining the consequence.

Part 4 - Revise the Goal System

Create a workable plan using changes to amount, deadline, flexible spending, or income.

Revision	Monthly effect	Goal consequence	Opportunity cost	Evidence
1				
2				
3				
4				

Revised monthly outflow must not exceed \$650.

Part 5 - Write a Financial Goal Action Plan

Write 175-225 words with actions and checkpoints.

Plan element	Action/measure
Priority	
Transfer method	
30-day milestone	
Midpoint review	
Barrier response	
Completion evidence	
Next goal	

Include one condition that would trigger a revision.