



Dungan, founder and chairman of Share Save Spend, a values-based, personal-finance consulting firm for individuals and organizations, will lead a discussion on this topic, Sept. 17, under the umbrella theme of “Navigating the New Normal—A Trillion Dollar Opportunity.”

The event is presented by the One Percent Club, Social Venture Partners and the Charities Review Council. It will be held at the Interlachen Country Club, 6200 Interlachen Boulevard, Edina, opening with a reception from 5:30-6:30 p.m., with dinner and discussion from 6:30-8:00 p.m. Tickets are \$75 per person Standard/\$125 per person Patron. RSVP to [info@onepercentclub.org](mailto:info@onepercentclub.org).

In this discussion, Dungan notes, “we’ll focus on the intersection of money, values and the consumer-culture and how they shape our money habits.”

The course Dungan charts begins with those trillion dollars, which are what people under age 21 either spend directly or influence their parents or grandparents to spend every year. “The overwhelming majority of energy for young people around money has been to spend it,” he says. He believes it’s important to get them to “think and talk” about money and then “do” money in ways that honor their values – all keys for families who are working to “navigate the new normal.”

At his meeting with One Percent Club members, Dungan is hoping for “a powerful experience as people gather to learn together and learn from each other.” He expects to gain as much from the audience as he can give in a discussion aimed at answering this question: “How can we be more intentional, open and emotionally neutral in our conversations about money?”

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**- Nathan Dungan**

In making a fiscal course correction, Dungan says, families should begin with communication across generational lines. “Everything starts with a conversation. In 20 years of working with families, I’ve learned that too often silence wins out—not that people don’t want to talk, but they don’t know how to open up the conversation.”

He expects the discussion will guide families to move from a merely transactional approach to money to one that also emphasizes the importance of interaction – especially between the generations.

“There’s no quick answer, nor are we going back to the way it was,” Dungan says. “When we accept what’s happened and start working through it, we will find ourselves with healthier money habits, linked more closely to values.”

Dungan’s hopeful, because “We’re recognizing that things need to change.” He sees “the new normal” as providing “a wonderful opportunity for families and organizations.”

“Without question, it’s a wonderful time to ask what’s important to me, and how much is enough, [which are] two seminal questions from which philanthropy can grow. This means not only asking questions but starting conversations about these questions. From there, conversation can lead to action.”

Dungan does have one major concern. It’s that “giving can take a back seat ...

because we’re so hyper-focused on getting our financial-house in order that we can lose sight of the needs in our communities and the world. This is why he emphasizes that “There’s so much more to money than merely transactions,” raising the question, “are we allowing our values to become part of all we are doing with our money?”

“We’re in a reevaluation mode, reassessing what’s really important. When we accept what’s happened and start working things through, we’ll find ourselves with healthier money habits and stronger links to values.”

Along with family discussion, there’s a need for formal teaching about personal finance, according to Dungan. He notes that many states—but not Minnesota—now require this kind of education for graduation. “If you can’t manage your own money effectively,” he notes, “how will you become an effective philanthropist? What we’re experiencing now is a direct result of people who didn’t have the financial i.q. to make the best financial choices.”

By concentrating on “needs” vs. “wants” and comprehensive planning, Dungan says, “We will find greater joy and meaning in our lives. The benefits we gain from sharing time and money are just as powerful as what we give.”

He concludes that it’s okay and important to be reflective and look back, but “we’re in a new place. It’s time to recog-

nize that while we are navigating some very rocky financial terrain there is enormous opportunity for families and communities to reconnect with their core values. The window of opportunity is wide open; the question is what will we do with it.”

## The Charities Review Council To Update Accountability Standards

**By Helen Ng,  
Charities Review Council**

Charitable giving has changed over the last decade, and the Charities Review Council is changing with the times.

Changes and trends in the nonprofit sector call for revisions to the Council’s Accountability Standards. The Accountability Standards are the heart of the Accountability Wizard, the online educational and assessment tool that nonprofits use to earn the Council’s Meets Standards seal. The Council is revising its Accountability Standards this year in order to continue to strengthen the nonprofit sector and help donors make informed giving decisions. The Accountability Standards are in the public input phase and will be finalized later this year.

“The Accountability Wizard and the Smart Givers Network website were first introduced in 2005, but the Accountability Standards have been in place since 1998. Hundreds of charities have been reviewed by the Accountability Wizard, literally strengthening the nonprofit sector one charity at a time,” said Rich Cowles, executive director of the Charities Review Council. “The new Accountability Standards will reflect the important economic, demographic, legal and societal changes that have occurred over the past decade.”

“These Standards are meant to help informed donors and accountable nonprofits. I encourage One Percent Club members to share their thoughts about the preliminary Accountability Standards at the September 23rd town hall-style meeting hosted by One Percent Club Board Chair Jud Dayton. We value your opinions and would love to have your input,” Cowles said. For more information or to sign up to attend the town hall, visit [www.smartgivers.org/AccountabilityStandards2009](http://www.smartgivers.org/AccountabilityStandards2009).

One of the biggest changes the preliminary Standards propose increases the allowable percentage of funds nonprofits spend on administration and fundraising. The current Standards require that 70 percent of a nonprofit’s expenses be spent on program. The Council is now considering a program expense ratio above 60 percent to meet the standard, but are requiring that nonprofits explain to donors why their program expense ratios are in the 60 to 70 percent or 90 to 100 percent ranges, in order to allow nonprofits to build a solid foundation for their long-term viability.

“Donors naturally want their contributions to be used to further an organization’s mission,” said Cowles. “However, areas like strategic planning, technology, office infrastructure, board development, and leadership training—not to mention fundraising—are all necessary expenses for most nonprofits, and do in fact improve an organization’s ability to

further its mission in the long term and help it gain the revenue it needs to thrive. We’ve seen a number of organizations starve their infrastructure by spending too little money on administration”

The new Standards will continue to help donors make giving decisions and trust that participating charities will use their donations wisely. They also will help ensure those charities will be around for the long-haul. Other changes to the Standards include a call for nonprofits to pay attention to donor privacy and security as well as executive compensation, strengthening the criteria used to measure financial health, and increasing board meeting requirements from three to four meetings per year.

“The revision process has been intensive and involved feedback from donors, institutional funders, academics and nonprofit leaders. The result will be a fair set of Standards that are sensitive to a wide variety of constituents balancing regulatory requirements, sound practices and donor concerns” Cowles said. The new Accountability Standards will be phased into the Accountability Wizard review process in 2010.

*For more information about the new Accountability Standards, visit the Charities Review Council online at [www.smartgivers.org](http://www.smartgivers.org).*

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