



April 15, 2010

TO: VOTING MEMBERS, CAHPERD BOARD OF DIRECTORS

FROM: DRISHA LEGGITT, EXECUTIVE DIRECTOR

RE: TWO YEAR PROGRESS REPORT – RECOMMENDATIONS: POLICY AND
PROCEDURE CHANGES; NEXT STEPS

Acting as the California Association for Health, Physical Education, Recreation & Dance (CAHPERD)'s Executive Director the last two years has been an honor and a privilege. I'm very proud to support CAHPERD's goals and mission; and you, as the organization's and California's HPERD leaders.

When this job was offered to me, it was done so under the caveat that I would spend the first two years, "...learning HPERD and CAHPERD's past practices, current customs and leadership channels. I agreed; and have done my best to learn and grow in this position. And I admit that I have had much to learn – a considerable learning curve! Often, I have to remind people that I have only had this a little over 1 ½ years, and am still learning as I go!

As you know, my original, two-year employment contract will be completed May 31, 2010. On April 24, 2010, you will be asked to vote on potentially extending my contract as your Executive Director. When I signed the first contract, I was promised that the next contract would be a minimum, five-year agreement. Therefore, you are faced with a big decision: would you like me to continue to be your Executive Director for another five years?

To ensure you have all of the information necessary to make the best possible decision for CAHPERD and its future leadership, I thought it best to give you an honest assessment of the organization as I see it, as well as provide recommendations regarding where I believe CAHPERD will benefit from operations and/or policy changes; or how I will act/change the management of the State Office and operations, should I continue in this position.

To date, I've spent the last two years as asked and as your Executive Director. Going forward, these are my recommendations as I grow further in the role of CAHPERD's "Chief Executive Officer."

Thank you for your consideration, and I look forward to your feedback:

State of the Organization:

I sincerely believe CAHPERD is a wonderful organization with a rich and powerful history; much of my personal and professional success is a product of Title IX, daily physical education/activity and dance. I have much to thank CAHPERD's founders, past and present members – as do millions of Californians!

I also believe CAHPERD is at the precipice of an amazing renaissance with endless possibilities in the upcoming months and years. Fortunately/Unfortunately, the United States is facing a serious health crisis: obesity (at all ages) and problems associated with inactivity. CAHPERD members are on the “front lines” of this national/statewide issue. And while California has consistently ranked near the bottom regarding investment per student in education, California has always been a bellwether state for health, wellness, physical education and fitness. Therefore, we can lead the nation in addressing the obesity/inactivity health crisis through our HPERD educators and programs.

Particularly as the First Lady's new, national initiative is addressing childhood obesity, CAHPERD has the opportunity for increased advocacy, resources and support very soon.

However, to best take advantage of this renaissance, I believe CAHPERD must make some structural, communications and operational changes to remain relevant to its members and mission.

Innitially, CAHPERD must work harder to re-engage its field

State of Organization – Financial:

CAHPERD's cash flow situation at this moment is dire.

Three unexpected issues greatly and negatively impacted CAHPERD this year beyond our control: 1) the AHA “charged” CAHPERD 53%-57% of the AHA's 2008-2009 Jump Rope for Heart/Hoops for Heart campaign operating costs, resulting in a \$60,000 loss/shortfall in JRFH funds this year (1/2 the funds of CAHPERD's *lowest* revenue year since the program's inception); 2) CAHPERD membership is down dramatically from projections: 382 members less than 2008-2009 (or a shortfall of \$34,000); of those members, 360 reside in Southern District and are LAUSD employees. LAUSD chose not to fund any professional development memberships OR conferences/workshops in 2009-2010, greatly/negatively impacting both membership and State Conference participation; and 3) the 2010 CAHPERD State Conference was \$165,000 under income projections, but generated approximately \$150,000 in expenses. The CAHPERD State Conference is CAHPERD's primary fundraiser *for the year*. The income resulting from this conference generally pays CAHPERD's bills and salaries through the Summer. We generated only enough money from the Conference to pay two weeks of CAHPERD's bills.

To date, we have only enough unrestricted funds in our primary checking account to make payroll and pay bills for another month. However, we have \$111,000 in bills

(accounts payable). This statement is not one I want to share with the people soon to be deciding my career fate and family's livelihood; but it is the truth.

Having said that, here is a synopsis of the information I shared with President Cordes and Treasurer Avrit regarding addressing our present, difficult cash flow situation:

First, I am trying to renegotiate a couple of our Conference bills; CAHPERD has been charged (in my opinion) unjustly in some areas for Conference goods and services. I am working hard to drive some costs down. I can't guarantee anything, but am trying to reduce our costs.

Secondly, CAHPERD still has one more fundraiser this fiscal year! CAHPERD's Southwest Dance & Acro-Sports Workshop (SWDASW), scheduled for May 15-16, 2010 at the Palm Springs Convention Center, is often overlooked, as it is presented after the Conference. But it is a terrific event run by amazing volunteers! While CAHPERD incurs some costs for instructors and travel, those costs are generally far off-set by the attendance/ event registration. This event is *much less* expensive to implement than the CAHPERD State Conference! The primary cost of this event is facility rental. If we can increase the number of people attending, and find more exhibitors or potential sponsors, this event could generate a great deal of money!

Most importantly for our needs, if properly promoted, SWDASW should generate our much-needed cash flow necessary to pay CAHPERD's employees and essential, operating bills through May. But we need your help to do so: please encourage as many people as possible to attend this event! It is crucial that we drive SWDASW registrations!

Additionally, we have launched a CAHPERD Membership Drive and contest. Traditionally, about half of CAHPERD's memberships are renewed/generated around the Conference; members renew when purchasing conference registration. As our 2010 Conference registration was far below previous years, subsequently so have our memberships. Therefore, upon the recommendation of our Membership Committee chairpersons and Treasurer, we are launching a membership contest and drawing offering a free 2011 State Conference registration and one free hotel night stay in Monterey, through April 30. We will need at least four new or renewing members to "break even" on this promotion. Therefore, we really need the BOD's help to recruit members and bring up our numbers!

Finally, as announced earlier, we were recently approved for a grant of \$161,633 from the California Endowment. Unfortunately, these funds are *restricted* for use only on grant-related business in the upcoming year. However, this revenue positively impacts CAHPERD's bottom-line "assets", thus helping us maintain our excellent credit rating - which allows us to (hopefully) attract more grants and draw further from our line of credit if necessary (although I do not want to do so). We have paid down our line of credit by about \$15,000; but we still pay interest and

owe \$83,000 on the principle. Remember, we usually pay off the line of credit every year with JRFH funding (which was always my intention); this year, our JRFH funding was ½ of what we expected to receive, and thus we could not pay it off as usual. We have been paying it down ever since.

CAHPERD's independent Auditor (who does not receive funds or commission for offering his independent recommendations), has been recommending for years that CAHPERD not place much-needed reserve funds (required each Summer for cash flow) in long-term investments; we have annual, written Auditor recommendations stating that funds currently in "investments" should be used as reserves, thus freeing CAHPERD from paying unnecessary interest on a line-of-credit. CAHPERD's past practice has been to ignore the Auditor's advice and draw on the line of credit. I would like to re-visit this practice with the BOD; as the Auditor told me twice this year, "We set up the 'investment' accounts as a 'rainy-day' fund. California is experiencing its worst economy since 1929; how much more rain does CAHPERD need?"

However, we currently owe \$111,000 in bills, and only have about \$20,000 in unrestricted funds to pay bills and pay-roll (at this moment) in our primary checking account. We have about \$22,000 in "Aged Receivables" (outstanding invoices/funds owed CAHPERD). We have about \$277,000 in reserves or "investments."

If we choose to pull the unrestricted funds from our foundation checking account, we have at least another \$25,908. Contrary to popular opinion, the funds in the foundation accounts are *not restricted*. The only restricted foundation funds were donated by Bill Harknas and Phyllis Blatz and invested in the foundation investment account. All other funds generated through the \$5.00 fee from professional member dues, as well as general fundraising, may have been designated primarily for one committee/sub-group (such as the foundation), but they *are CAHPERD's general funds*, and are to be used at the behest of the Board for use as necessary to meeting CAHPERD's mission and fiduciary responsibilities. Therefore, it is only up to the BOD members, and not a sub-committee, to ultimately decide how to best use those funds. Neither the will of sub-committee members, or even volunteer-developed By-Laws, trumps the State of California law in this matter.

Advocacy & Legislative Work:

Perhaps CAHPERD's most important function is its advocacy arm on behalf of California's HPERD programs/issues. CAHPERD has been very successful in helping to formulate and enforce Title IX, Physical Education and Health Education Model Content Standards and Framework, fighting threats to key programs, and protecting the

However, too many of the same challenges CAHPERD was fighting 30-40 years ago are still challenges CAHPERD is fighting today: unmanageable class sizes, cuts to overall programs (particularly on the elementary level), basic misunderstanding of the differences between physical education and physical activity (and the need for both), lack of oversight and enforcement, lack of resources and adequate equipment, etc.

If CAHPERD is fighting the same battles for over 30 years, perhaps we need to re-examine the methods in which we are fighting.

It is my belief that we have to address some of our problems from the legislative source and in another manner.

For example: exemptions; We keep fighting – and often losing – the “exemption” battle district-by-district. It is very difficult to “win” an argument where the community doesn't understand the difference between physical education and physical activity. Programs as Marching Band and JROTC have vocal and dedicated parents advocating for the exemptions to “save” these programs, because school districts have allowed for these exemptions for years. Nice kids take these programs; we will not win the emotional argument.

Therefore, we need to win the argument through two new methods. First, we should partner with a media organization (or request donated services from a quality advertising/marketing agency sympathetic to CAHPERD's mission), and launch an aggressive public relations and (potentially) media campaign. That campaign's goal should be to educate the general public regarding the differences between physical education and physical activity – that programs such as Marching Band and JROTC are important electives and should not be sacrificed; however, these programs are not physical education. If the general community had a better understanding of the difference, they would not view physical education as easily substituted for any random movement.

I have been trying for two years to develop and launch such a campaign; each time I've brought up creating said program, I've been told, “We need to wait because we are doing/working with this political ally behind the scenes.” In the meantime, we continue to lose ground and programs in districts throughout the State.

CAHPERD has been conducting old-style, back room lobbying/deal-making for years; and the general public seems no closer to understanding or supporting physical education than 20 years ago. I believe Californians are reasonably intelligent people; if given all of the information (without the spin or screening of politicians and lobbyists), they will come to the logical conclusion that students need physical education – not just physical activity.

Put it out there, and the public will respond positively.

Therefore, I believe CAHPERD needs to ignore the old-school direction it receives from its legislative vendor and communicate with the people directly. Our present method isn't working; if we continue to battle on the school district level, we will continue to lose programs. Let's educate the public and the State leadership will listen.

Secondly, CAHPERD must lead the effort to add Physical and Health Education to the State's "A-G Requirements" and API-level testing. High School students will not exempt out of physical education if it is a college-requirement. And schools will not cancel programs that are tested and reported out to the community.

Our present Fitness Testing isn't enough. If the schools are not held accountable, they will not enforce quality physical education.

Myself, and dozens of CAHPERD's most important and influential partners (such as the Governor's Council on Physical Fitness & Sports), agree that adding physical education to the A-G Requirements and API is necessary and achievable; and yet, we won't take on this challenge.

Every time I have questioned this, the response from older CAHPERD leaders and our legislative vendor is, "Oh, that takes years." Or "That will never happen."

As near as I can tell, we have had this same problem for over 20 years; if we had started then to add P.E. to the A-G Requirements, we wouldn't be fighting this same battle today; so what if it takes years – let's finally fix the problem!

Our Legislative Advocate should be taking her direction from CAHPERD; not the other way around. If the CAHPERD Board states they want these issues addressed, encourages our partners to stand by us in this effort, helps draft sample language for legislation, and follows the correct advice, we can and will achieve success.

Let's set the goal, develop the steps and implement a plan to finally have physical education and health education added to the A-G Requirements and API. It may take many years; but all great journeys begin with a single step – and Physical Educators are great steppers!

Additionally, it is crucial that CAHPERD actively address the class size reduction issue! Among the many results CAHPERD researcher Dr. Heather Diaz (California State University, Sacramento) found in her work for the California Task Force for Youth and Workplace Wellness, is the consistent and negative impact larger class sizes have on our educators' ability to teach and students' ability to learn. Again, this has been a problem for 20+ years, and we continue to use the same methods and arguments when addressing the issue!

We will never win as long as we continue to "fight" the budget issue; there will never be "enough money" – regardless of our State's economy. There is no incentive for school districts to change and budget or expense "cuts" (especially with regards to government – under which public schools falls squarely) are quite popular.

This is one argument we can "win" on the emotional level – if we are willing to pull out the big guns, stop the back room negotiating, and take a chance with our communications: class size is a *safety* issue; and no one can argue that our children must be safe!

We need to conduct a media and communications campaign displaying the horrific danger our students and teaching staff face in large classes – particularly in middle and high schools (where the students are often as “big” as the instructors).

Will it ruffle feathers? Yes! Will it make some of our administrator and school board members angry? Possibly. But the situation won’t change until the public demands our Legislators take action. Do we have to wait until a child or teacher is hurt or killed before class size becomes a front burner issue?

Again, I have been told a dozen times, “That will never change.” Or, “We have been working on it.” Apparently, we haven’t been working the right way, or the problem would have been solved 20 years ago. I am told frequently by some experienced CAHPERD leaders and our Legislative vendor that it won’t change and I’m naïve. Perhaps I am; but my experinece tells me that as long as we allow for the status quo, changes will never be made.

Our children and members deserve better; and class size reduction is achievable, even in a bad economy. We just need to change our argument and demand results from our State officials and our legislative vendor. Change won’t happen overnight; but we should at least see progress; and if there is no progress in 20 years, we need to change our strategy and/or person delivering the message.

CAHPERD Policy Recommendation:

Create two Ad Hoc, Sub-Committees of the CAHPERD Legislative Committee, consisting of CAHPERD members interested (but not previously served on the Legislative Committee) to create a strategic plan to address: 1) Changing A-G Requirements to include physical and health educaiton; and 2) class size reduction for physical education.

I am willing to help lead this effort; and I think different and/or new members interested in addressing the issue that have not been part of our previous processes – perhaps bringing a fresh prospective and new ideas to address these two difficult and lingering problems.

Holding CAHPERD’s Consultants Accountable for Results:

CAHPERD has several excellent, outside consultants that receive a great deal of money for their services: IT Provider, Graphic/Web Designer, Printer(s), Web Manager, Legislative Advocate, among others. The majority of our outside consultants are excellent, providing quality services, suggestions and products consistently, as well as regular reports regarding progress and results.

However, a couple of CAHPERD’s outside consultant contracts have not been reviewed in years. And the relationships with the vendors have become at best blurry. They are paid as much or more than several of our employees; and yet they are held to no standard with regards to outcome, results or review. I disagree with this past practice.

“We’ve always had her/him,” or “We’ve grown up together (CAHPERD and the vendor) is no reason to pay someone five figures without annual review.

I require annual reviews of our employees, as well as identifications of goals and outcomes. We also annually review employee salary and benefits. And CAHPERD “rubber stamps” a couple of contracts without question or review annually.

Without the benefit of knowledge of “We have always done it this way,” I made the mistake of questioning one of CAHPERD’s vendors, their methods and outcomes. Within a month, one CAHPERD leader told me that if I continued to question the consultant or request more information regarding outcomes, my job would be on the line; I was told, “If it’s a choice between a Legislative Advocate we have had for 20 years and a brand new Executive Director, we’ll always choose the Legislative Advocate.”

Since that time, a few CAHPERD Past Presidents have “gone over my head” to force the blind adoption of the vendor contract; quite obviously in a manner to, “put me in my place.”

I believe contracts and vendor relationships that are never reviewed are unhealthy. Our vendors may be excellent; but vendors that hold us hostage are dangerous.

If I, as the CAHPERD CEO, am held responsible for the results of our employees and all vendors, I reserve the right to set goals and review results of contractors as I do our employees – especially those paid as much as our employees.

Often, when contracts are annually reviewed, better results are achieved. For example, I reviewed and then replaced our lithographer with a professional graphic designer, saving CAHPERD approximately \$4.00 per page on our CAHPERD Journal, and reducing our overall graphics and print budgets by over \$10,000 -- while still developing much better quality products (print and web design).

Executive Director Procedure Change:

I will annually review all contracts with vendors regardless of their personal ties with CAHPERD Past Presidents or leaders, requesting annual outcomes, results reports and goals for each upcoming year.

Suggested CAHPERD Policy Change:

The CAHPERD Executive Director and Administrative Committee, with input from appropriate volunteers that may work with External Consultant(s), will formally review and request outside bids from at least two other competing consulting organization, every five years. Through this process, the E.D. and Administrative Committee will provide recommendations to the CAHPERD BOD regarding updating the contract relationship in further, five-year increments.

