

To: **Board of Directors**

Fr: **Lawrence E. Heider, DVM, DACVPM**
Treasurer and Executive Director

Re: **Reports**

Date: **July 17, 2005**

I. Treasurer's Report

- FY '06 Budget was approved by the Board June 30, 2005. The anticipated revenues and expenses are \$2,282,507.00, a 17.5% increase over FY '05.
- A budget will be prepared for the AAVMC Veterinary Teaching Hospital (VTH) Task Force (TF), which anticipates expenses for publication and distribution of white papers. When it is complete, the approved budget will be amended and submitted to the Board for further consideration if it requires any changes to the AAVMC budget.
- Estimated Cash Reserves as of July 1, 2005, are \$1,090,774.00, which is an increase in reserves of approximately 29% over July 1, 2004. The larger than anticipated addition to reserves is a result of better than anticipated corporate and government support and reduced need for temporary help.

II. Executive Director's Report

A. Recommendations:

- Dr. Andy Maccabe will present to you information to take into consideration regarding membership for institutions that are different due to geographic location and not-for-profit or for profit status. I recommend you advise us on language for a bylaw amendment in this regard for consideration at an early date.
- I recommend that you discuss the possibility of establishing a category of non-voting membership for individuals. The benefit to us is an increased revenue stream. I recommend that we consider annual dues for individuals of \$100.00 per year, with a lifetime membership fee of \$1,000.00.
 - The disadvantage to us is increased record keeping and invoicing.
 - The advantage to an individual member is a hard copy subscription to the JVME, inclusion on the distribution list of communications from AAVMC and invitations to meetings, workshops and symposia. I think it's worth a try.

B. Personnel

- Jessica Wootton will leave AAVMC immediately following this meeting. She will once again become a student, taking courses that will qualify her for application to one or more of our member institutions. We wish her all the best.
- Charlotte Hendrix will leave us October 12, 2005 to pursue her career in film and television productions. Charlotte has been with us for nearly 3 years and has contributed greatly to our growth and changing image. We wish her well in her career.
 - We will develop a job advertisement in August and begin to recruit a new Program Director, perhaps with slightly different and additional responsibilities.
- In the past year Suzanne Mink became an AAVMC employee as Assistant Editor. She works with Dr. Walsh in his UC Davis office.

- On July 1, 2005 Dr. Donal Walsh became an AAVMC employee. He is a tremendous asset to AAVMC as our Editor and as I like to say, as our “Foreign Ambassador” and in many other ways, all of which have accrued to the enhanced image of AAVMC. We look forward to our continuing work together with both Suzanne and Donal.
- Hanna Benedict joined AAVMC on July 6, 2007 as Administrative Assistant. We welcome her.
- Brian Smith, who currently works as VMCAS Student Affairs Coordinator, is the successful applicant for the new Legislative Assistant position. We are pleased he has demonstrated that he is the right person for this new position. Brian will transition into his new position while a new Student Affairs Coordinator is identified, hired and has time to learn the responsibilities of the position. We are pleased that Brian is growing with AAVMC.
- Other full time employees are: Leonard Artis, Lisa Greenhill, Andy Maccabe, Michael Peart, John Roane and myself. Beatriz Margallo works 2 days per week as our Accounting Technician. When the vice-Smith open position is filled, AAVMC will have 12.4 positions.

C. Professional Consultants

We currently have consulting agreements with 4 people.

- Former Senator, Dr. John Melcher assists us with legislative activities. His service to AAVMC is invaluable.
- Dr. Dick Dierks has completed one year with us. His efforts resulted in the successful assessment of college and department member infrastructure needs and in supporting the effort to get co-sponsors and other support for the VMEW Bills in Congress.
- Dr. Bob Kahrs has been working with us to enhance our role and effectiveness in international activities. He will continue with us through the remainder of the calendar year and longer should funds to support his efforts become available.
- Dr. Keith Prasse begins work with us this month. He will be working on developing a proposal for foundation funding for conducting a study to follow our current strategic planning activities and to implement those initiatives accepted by our members. The emphasis will be on implementation of new activities and methods for our members to meet the needs of society for the knowledge and services provided by veterinary science and our profession.

D. Communications

At the Deans Conference, Jan. 2003, we accepted the recommendation that a communication audit or plan be put in place.

- We have investigated some opportunities, have now budgeted for this effort in the current fiscal year and expect to establish a communication plan in the coming months. As a preliminary, we hope to receive assistance from the AVMA to establish a baseline and to get advice on future directions for our communications.

E. Development

We are hopeful that our offices get some assistance and advice from the Advancement Committee on establishing a formal Development Plan.

- At present, our development efforts are ad hoc and directed to companies and agencies through personal contacts. In spite of this less than professional approach, we are having improved success but believe that with a professional approach we can do much better. Currently, Hill’s is our principal patron and financial supporter.
 - If we do not get assistance internally, we expect to seek outside advice for fee.

F. Meetings, Workshops and Symposia (MWS)

- We believe that our meetings have improved and are now much better managed financially. We still find that our planning for such events is delayed more than we would like. In some cases, meeting plans have been delayed. This is due to waiting for constituent groups to provide us with information when planning to have meetings which include presentations. This in turn causes a delay in advertising, attracting potential registrants and in attracting donors. It is our intent to improve this aspect of our operations.
- The Education Symposium will be held prior to the Annual meeting, March 9 and 10, 2006. The Symposium is titled: *The Use of Animals in Veterinary Medical Teaching: Refinement, Reduction, Replacement*. The Chair of the Program Committee is Dr. Jim Thompson, University of Florida. The Program Committee is staffed by Andy Maccabe.
- The Food Supply Veterinary Medicine Education Workshop will occur in Kansas City, MO on October 27 – 29, 2005. The program will focus on the FSVm report from the study being conducted by the Andrus Group at Kansas St. U., College of Business Administration, Department of Marketing. A preliminary report will be delivered at this AVMA meeting.

We expect that the final report will be presented at our workshop. The 4 general topics of the Workshop are: Demand and Opportunities for veterinarians in the Food Supply/Security Chain; Supply of Veterinarians for FSVm, KSAs Needed by Industry and Essential for Success; Delivering the Knowledge and Skills and, Collective Approaches to Preparing the Professionals Needed. The Chair of the Program Committee is Daryl Buss and I provide staff support.

- Financing of meetings is planned to be cost neutral. We budget for total expenses including overhead, attempt to keep registration costs low, and seek outside support to achieve the latter objective. Meeting costs continue to escalate, particularly as our constituent groups request (or sometimes schedule with out request) funding for non-member employee speakers who require expense reimbursement and occasionally honoraria. Scheduling outside speakers contributes to the quality as well as the cost of our MWS.

AV costs continue to escalate. For example, at the Summer Meeting 2004 AV expenses were less than \$400.00. This year, with the improvement in program and the need for more power point capability, the AV costs are estimated to be \$5300. This high cost is in addition to the use of all or our own equipment.

Meal costs escalate at a rate above the CPI.

To illustrate all of the above, this meeting has associated total costs of approximately \$45,000.00 including overhead of \$9,000.00 with anticipated revenues of \$6,800.00 for a net expense of about \$38,200.00. For this reason and the first time in my recollection, we established a registration fee for this meeting of \$50.00 for member institution employees. We will assess how effective this is in terms of cooperation and in reducing cash costs.

G. Strategic Planning

- We have begun a Strategic Planning process. We are nearly finished conducting a structural analysis with all staff and a SWOT analysis with our senior staff. The SWOT analysis will be provided to the Board, member representatives and others participating in the broader strategic plan. We anticipate that the larger effort with the Board, Deans and others will be completed in the early part of next year. Beyond that, we will prepare a proposal for significant funding to conduct a major study (PEW II) on implementing the recommendations which the AAVMC accepts as important for the future.

We will have our former President, Dr. Keith Prasse, working with us through this process particularly for proposal preparation and organization of the effort.

H. International Affairs

- In the process of restructuring all committees and in anticipation of current activities, some changes have been made in our international effort and in staff support. Dr. Bob Kahrs has been working with us since early this year to develop the Global Initiatives in Veterinary Education (GIVE) program. He has worked very, very hard on this and has developed a commendable program. He continues to work on identifying funding to keep our efforts at a level GIVE deserves. He also provides staff support to the International Affairs committee.
- We participate in the AAVMC/AVMA Joint TF on Veterinary Infrastructure in Afghanistan and Iraq. Dr. Kornegay Co-chairs this TF as our representative. Other TF members are Dr. Theresa Bernardo, MSU and Dr. Mo Salman, CSU. They also now form the executive group of our International Affairs committee with Dr. Kornegay.

I. Leadership

- Our initial foray into this area had a good start at the March 2005 annual meeting. We used the fledgling Chairs, Heads and Directors Committee to sponsor the Leadership Workshop and will continue this in 2006 with one, 2-day workshop and 2, 1-day workshops.
The two-day workshop is a repeat of the successful offering in March 2005: The Leadership Challenge. The one-day programs are: Leading Teams and Strategic Thinking. Both will be led again this year by Daniel Stone, WholeSystems Consulting.

J. Visiting Faculty

- We currently have 3 visiting faculty working in our offices from time to time.
 - Dr. Susan Vandewoude is working with us on our contract with APHIS, VS, Animal Care.
 - Dr. Phil Nelson and Dr. Ronnie Elmore are working on the DiVersity Matters program.

K. Task Forces

- We now have four efforts under development by Task Forces.
 - Public Health Task Force will report to the Assembly.
 - Veterinary Teaching Task Force will report to the Board.
 - The AAVMC/AVMA Joint TF is an ongoing effort and will report to the Board.
 - The Farm Bill TF is newly formed and will begin its work soon.
 - Dr. Perryman will Chair the committee consisting of Drs. Dave Zeman, Don Reynolds and Ralph Richardson. Another person invited has not yet responded.

L. Ad hoc Committee

- The President has appointed a Building Committee.
 - The charge to the committee is to conduct a long term investigation into the feasibility of building purchase for AAVMC offices in Washington DC.