

19th Annual Report
American Association of Avian Pathologists Foundation, Inc.
For the Year Ending April 30, 2008

The 2007/2008 financial compilation of the AAAP Foundation, Inc. by G. Michael Smith and Associates, Bogart, Georgia has been sent to the audit committee and is included in the agenda material for all board members.

The Kenneth Eskelund Preceptorship committee reviewed 6 applications this year. All applications were approved and funded at \$1300 each which was an increase from \$1200 in previous years.

The decision was made at the 2004 Foundation Board meeting to invest \$300,000 of the foundation's assets with Marin Financial Advisors into a diversified portfolio of Charles Schwab. Despite a difficult year for the U.S. economy, the investment has done well for the foundation this past year having increased from \$338,873 on April 30, 2007 to a value of \$345,934 on April 30, 2008. If we compare this growth to the \$300,000 AAAP, Inc. placed in a CD at the same time, the CD is now valued at \$343,210. Initially, the downside to this investment was to not have sufficient cash on hand to pay the awards and it was agreed by the AAAP, Inc. Board in July 2006 and reconfirmed in July 2007 to cover this shortfall which was \$13,887 in 2008. Also, this year \$45,000 of money in the AAAP Foundation savings was placed into a C.D. at 5.25% interest. The present amount in the savings and C.D. now is sufficient for the AAAP Foundation to again begin to cover all of the expenses for the awards beginning in fiscal year 2008-2009.

In order to account for any gain/loss by each award fund, now that nearly all the money is in one investment account and one CD, each fund is given a percentage of the total amount. The percentages used are Ken Eskelund Preceptorship (23%), Reed Rumsey Student Award (14%), Lasher-Bottorff (21%), Bayer-Snoeyenbos (13%), Richard B. Rimler (7%), L. Dwight Schwartz (9%), and Calnek Applied Research (13%).

The interest and donations this past year resulted in the following balances for each fund: Ken Eskelund Preceptorship \$101,478; Reed Rumsey \$54,638; Lasher-Bottorff \$75,625; Bayer-Snoeyenbos \$48,372; Richard B. Rimler \$33,886; L. Dwight Schwartz \$56,549; and Calnek Applied Research \$47,599. It should also be noted that \$18,779 of the value of the Richard B. Rimler fund is also in a stock fund with Walnut Street Securities Group (Southern Company) as this stock was donated to the foundation by Lucy Rimler.

We must also thank a long list of members and families of members who made generous donations to the Foundation this past year in the amount of \$26,281.

The Foundation made contributions of educational material to veterinary schools or students in Nigeria, Pakistan, Uzbekistan, and Zimbabwe.

This annual report is respectfully submitted to the AAAP Foundation, Inc. Board July 19, 2008.

Charles L. Hofacre
Secretary-Treasurer
AAAP Foundation, Inc.