



United States
Department of
Agriculture

Risk
Management
Agency

1400 Independence
Avenue, SW
Stop 0801
Washington, DC
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BULLETIN NO: MGR-06-001

TO: All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Eldon Gould /s/ *Eldon Gould* 1/20/2006
Administrator

SUBJECT: Quarterly Reporting of Reimbursable Maintenance Expense Requests for
Products Submitted Under Section 508(h) of the Federal Crop Insurance
Act

BACKGROUND:

In accordance with 7 C.F.R. 400.712(e), developers of products submitted and approved by the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) under section 508(h) of the Federal Crop Insurance Act are required to submit complete and final requests for reimbursement of research and development and maintenance costs to the Board by August 1 of each year in which reimbursement is eligible. At its September 22, 2005, meeting, the Board, expressed its desire to have submitters provide the Risk Management Agency (RMA) quarterly reports of maintenance costs being incurred for the applicable approved 508(h) products to assist RMA and the submitters to more timely review and address any issues that may arise.

Requiring quarterly reporting of reimbursable maintenance expense requests will enable RMA and the submitters to work out definitional differences of allowed expenses and assure opportunities to resolve issues prior to the reporting of complete and final expenses. Pursuant to 7 C.F.R. 400.712(l), such information may be considered by the Board in making a determination to approve reimbursement of maintenance expenses or the amount of such reimbursement.

Nothing in this bulletin revises any of the requirements in 7 C.F.R. part 400, subpart V. This bulletin simply requires the submission of periodic accounting of reimbursable costs prior to the submission of the complete and final request.

ACTION:

Submitters must report quarterly to RMA all maintenance costs reimbursable under section 712 and expended during the quarter for review. Effective beginning April, 2006, the submission of quarterly reports of reimbursable costs must be submitted to RMA in either hard copy or electronic format, during the first 5 business days of each quarter (January, April, July, and October).



The Risk Management Agency Administrators
And Oversees All Programs Authorized Under
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RMA will review the nature of the requests and provide the submitter with feedback, either by phone, e-mail or letter, as to whether the maintenance costs are reimbursable under section 400.712(j). Such quarterly costs must contain the same information and be reported in the same format as the complete and final request submitted by August 1.

Quarterly reporting of reimbursable maintenance costs must be sent to: Deputy Administrator, Research and Development (or successor), Risk Management Agency, 6501 Beacon Drive, Stop 0812, Kansas City, MO 64133-4676 or to: DeputyAdministrator@rma.usda.gov.

DISPOSAL DATE:

This Managers Bulletin is applicable until rescinded or revised by other regulation or procedure.