

**MINUTES
OF THE
MEETING OF THE BOARD OF DIRECTORS
OF THE
FEDERAL CROP INSURANCE CORPORATION**

A meeting of the Board of Directors (Board) of the Federal Crop Insurance Corporation (FCIC) was held on February 7, 2002, in room 104-A, Jamie L. Whitten Federal Office Building, U.S. Department of Agriculture, Washington, D.C. The public was invited to attend.

The meeting was called to order at 9:40 a.m., in Open Session.

Present were J.B. Penn, Under Secretary, Farm and Foreign Agricultural Services (FFAS); Keith Collins, Chief Economist, USDA and Acting Chairperson; Michael Keating and Bobby Webster, constituting a statutory quorum; Phyllis W. Honor, Acting Manager, FCIC; and Diana Moslak, Secretary.

Also present were Thomas Hunt Shipman and Butch May, FFAS; Kim Arrigo and Don Brittenham, Office of the General Council (OGC); Darrell Swanson, Office of the Inspector General (OIG); Joe Glauber, Office of the Chief Economist (OCE); Sharon Hestvik, Mary Slay, Don Stonecypher, Michael Hand, Marian Jenkins, Vondie O'Conner, Tim Witt, Tim Hoffmann, Bob Vollmert, Dave Fulk, Garland Westmoreland, Larry Piatz, and Lee Ziegler of the Risk Management Agency (RMA); Jim Staiert of the Office of Budget and Program Analysis (OBPA); Barry Cleaveland, Stephen Frerichs, and Steve Wilson of American Agrisure (AmAg); David Bickerstaff of Bickerstaff, Whatley, Ryan and Burkhalter; Kevin Scally of Crop Hail Management (CHM); Mike Duff of Agriservices, L.L.C. (ALLC); and Sarah Tyree of AgriLogic.

Dr. Penn informed the Board and the public of the announcement made by Secretary Ann M. Veneman on February 6, 2002, to appoint Ross. J. Davidson, Jr., as the Administrator of RMA.

The meeting recessed at 9:43 a.m., and reconvened in Executive Session at 9:45 a.m.

Present were J.B. Penn, Under Secretary, FFAS; Keith Collins, Chief Economist, USDA and Acting Chairperson; Michael Keating and Bobby Webster, constituting a statutory quorum; Phyllis W. Honor, Acting Manager, FCIC; and Diana Moslak, Secretary.

Meeting
February 7, 2002

Call to Order
Open Session

Present

Announcement of the
Administrator of
RMA by Dr. Penn

Recess/Reconvene
Executive Session

Present

Also present were Thomas Hunt Shipman and Butch May, FFAS; Kim Arrigo and Don Brittenham, OGC; Joe Glauber, OCE; Sharon Hestvik, Mary Slay, Don Stonecypher, Michael Hand, Marian Jenkins, Vondie O'Conner, Tim Witt, Tim Hoffmann, Bob Vollmert, Dave Fulk, Garland Westmoreland, Larry Piatz, and Lee Ziegler, RMA; Jim Staiert, OBPA; and Barry Cleaveland, Stephen Frerichs, and Steve Wilson of AmAg.

Dr. Penn left Executive Session at 9:55 a.m.

Dr. Penn

At 10:20 a.m., Barry Cleaveland, Stephen Frerichs, and Steve Wilson, AmAg, were asked to leave the meeting and Mike Duff, ALLC; Kevin Scally, CHM; and David Bickerstaff, Bickerstaff, Whatley, Ryan and Burkhalter, were invited into Executive Session.

The Executive Session adjourned at 10:45 a.m., to reconvene in Open Session.

Adjourn
Executive Session

The meeting was called to order in Open Session at 11:00 a.m.

Call to Order
Open Session

Present were J.B. Penn, Under Secretary, FFAS; Keith Collins, Chief Economist, USDA and Acting Chairperson; Michael Keating and Bobby Webster, constituting a statutory quorum; Phyllis W. Honor, Acting Manager, FCIC; and Diana Moslak, Secretary.

Present

Also present were Thomas Hunt Shipman and Butch May, FFAS; Kim Arrigo and Don Brittenham, OGC; Darrell Swanson, OIG; Joe Glauber, OCE; Sharon Hestvik, Mary Slay, Don Stonecypher, Michael Hand, Marian Jenkins, Vondie O'Conner, Tim Witt, Tim Hoffmann, Bob Vollmert, Dave Fulk, Lee Ziegler and Eric Reavis, RMA; Jim Staiert, OBPA; Barry Cleaveland, Stephen Frerichs, and Steve Wilson, AmAg; David Bickerstaff of Bickerstaff, Whatley, Ryan and Burkhalter; Kevin Scally, CHM; Mike Duff, ALLC; and Sarah Tyree of AgriLogic.

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A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes of the meeting of the Board held on December 12, 2001.

Dispense with
Reading – Minutes
Accepted

The motion carried. (Exhibit No. 2084.)

A motion was made and seconded to adopt the following resolution:

Expanded List of
Reviewers

RESOLVED: That 1) the Manager of the Federal Crop Insurance Corporation be directed to perform the activities necessary to enter into contracts with persons or entities on the attached list, and 2) the attached general statement of work be used to structure the contracts.

The motion carried. Board member J. B. Penn abstained from voting. (Board Memorandum No. 643; Exhibit No. 2087.)

A motion was made and seconded to adopt the following resolution:

Timber Crop
Coverage – Approval
of Reviewers and
Alternates; Task
Order Statement of
Work; and Execution
of the Contract

RESOLVED: That 1) the Manager of the Corporation be authorized to take such action as necessary to enter into and execute contracts with the persons or entities on the attached list, or the alternates in case the proposed persons are not available, to review the Timber Coverage Plan prior to Board action; and 2) the attached task order statement of work be used to execute the contracts.

A motion was made and seconded to amend Board Memorandum No. 641 to include in the task order statement of work the four questions raised by the Board in Executive Session.

The amendment carried.

The motion to adopt the resolution contained in Board Memorandum No. 641, as amended, carried. (Board Memorandum No. 641. Exhibit No. 2085.)

A motion was made and seconded to adopt the following resolution:

RESOLVED: That 1) the Manager of the Corporation be authorized to take such action as necessary to enter into and execute contracts with persons or entities on the attached list, or the alternates in case the proposed persons are not available, to review the Whole-Farm Revenue Protection Plan prior to Board action; and 2) the attached task order statement of work to be used to execute the contracts.

The motion carried. (Board Memorandum No. 642. Exhibit No. 2086.)

A motion was made and seconded to adopt the following resolution:

RESOLVED, That Docket No. CI-BL-02-1, Exhibit No. 2088, authorizing the Federal Crop Insurance Corporation to convert the pilot Blueberry Crop Insurance Program to a permanent crop insurance program effective for the 2004 and succeeding crop years in all areas where the crop is produced, and in the interim continue the pilot Blueberry Crop Insurance Program through the 2003 crop year, is hereby approved AND BE IT FURTHER RESOLVED, That the Board delegates authority to the Manager to approve final policy terms and procedural requirements.

The motion carried. (Board Memorandum No. 644; Docket No. CI-BL-02-1; Exhibit No. 2088.)

Whole-Farm Revenue
Protection Plan -
Approval of
Reviewers and
Alternates; Task
Order Statement of
Work; and Execution
of the Contract

Blueberry Crop
Insurance Program

Acting Manager Phyllis W. Honor informed the Board of American Agrisurance, Inc.'s withdrawal of the Timber Crop Coverage 508(h) submission submitted to the Board on September 18, 2000. (Exhibit No. 2089.)

A motion was made and seconded to recognize and acknowledge the outstanding service and contributions of Phyllis W. Honor as Acting Administrator of RMA and Acting Manager of FCIC.

The motion carried.

Acting Chairman Keith Collins requested RMA to prepare a research paper on the Timber program that was submitted to the FCIC Board during the 1980's.

There being no further business to come before the Board, the meeting adjourned at 11:35 a.m., to meet again in April 2002 in Washington, D.C.

February 7, 2002

/s/ Diana Moslak
Diana Moslak, Secretary
Federal Crop Insurance Corporation

Withdrawn 508(h)
Submission - Timber
Crop Coverage

Phyllis W. Honor -
Resolution of
Appreciation and
Acknowledgement
of Service

Research Paper –
Timber Program

Adjourn