

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 September 25, 2008, in Room G28C, 6501 Beacon Drive, Kansas City, MO. The public was invited to attend the open session portion of the meeting.

Meeting  
September 25,  
2008

The meeting was called to order at 8 a.m. in open session.

Call to Order  
Open Session

Kim Arrigo read the recitation to all members of the Board to advise the Board of its responsibilities in representing the interests of the FCIC and USDA. No issues were identified that would require recusal of any members of the Board for this meeting.

Recitation

The Board then immediately went into executive session to discuss confidential matters with Risk Management Agency (RMA) staff and submitters of products under section 508(h) of the Federal Crop Insurance Act (FCIA).

Executive Session

The open session of the Board reconvened at 10:15 a.m.

Reconvene Open  
Session

The Chairman requested Board members to introduce themselves. Present were Joe Glauber, Chief Economist and Chairperson, USDA; Mark Keenum, Under Secretary Farm and Foreign Agricultural Services (FFAS)(phone); Susan Rogers, James Nickel, Mike Pickens, Curt Sindergard, Luis Monterde, and Frank Jones Jr., constituting a statutory quorum; and Eldon Gould, Manager, James Callan, Deputy Manager and Cindy Spoor, Secretary, FCIC.

Present

Also present were Floyd Gaibler, Deputy Under Secretary, FFAS; Kim Arrigo, Office of the General Counsel (OGC); Tim Witt, Tim Hoffman, Tom Worth, Kent Lanclos, Leiann Nelson, Bill Bing, Matt Kamphoefner, Mary Alonzo, Velerie Eddleman (phone), Bridger Roy, Andrew Brandt, Shirley Pugh, and Ron Lundine of RMA; Jason Schikendanz (phone), AgForce; Ken Harrison; Jeff Smith; Clifton Parker and David Bossman, AGWIN; Don Armstrong, Lewayne Jansonius and Rob Cerda, Crop Insurance Services; Ken Ackerman, Olsen, Frank and Weeda; Craig Landgren, Watts and Associates; and Troy Brady, Mike Sieben, Frank Schnapp and Tom Zacharias, National Crop Insurance Services, Inc..

Chairman Glauber asked Eldon Gould, FCIC Manager for the Manager's Report (the Manager's Report is available on line at

Manager's Report

[www.rma.usda.gov](http://www.rma.usda.gov)). Mr. Gould commented specifically that RMA was monitoring: the hurricane and flooding situations around the country, large claims that may be associated with the weather events and claims adjustment work for rapid response and accuracy. He also congratulated Susan Rogers and James Nickel to their appointments to the Board and Luis Monterde and Mike Pickens to their re-appointments.

Hearing no objection, Dr. Glauber agreed to dispense with a reading of the Manager's Report. (Exhibit 2962)

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 September 12, 2007.

Dispense with  
Reading –  
Minutes

The motion carried. (Exhibit 2963)

Approved

Next, the Board took up Docket No. CI-Confidential Submission 0008 09-25-08 02. Due to the proprietary nature of this submission under section 508(h) of the FCIA, no presentations were made in the public session of the meeting.

Confidential  
Submission 0008

The Chair offered the following resolution, which was seconded, for adoption:

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (Act) requires the Board to enter into contracts with persons experienced as actuaries and in underwriting for reviews of any policy or plan of insurance, or any related material or modification of a policy or plan of insurance proposed to be offered under the Act, NOW  
THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI-Confidential Submission 0008 09-25-08 02, Exhibit 2964, the Board approves expert review for the Confidential Submission 0008 and directs 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 Confidential Submission 0008 prior to Board action; and 2) the attached task order statement of work be used to execute the contracts.

The Board voted to approve the resolution. (Exhibit 2964)

Approved

The Board then considered Docket No. CI- Reimbursement Request – Apiculture Pilot Program 08-01.

Reimbursement  
Request –  
Apiculture Pilot  
Program

The Chair offered the following resolution, which was seconded, for adoption:

RESOLVED, that pursuant to the information contained in Docket No. CI- Reimbursement Request – Apiculture Pilot Program 08-01, Exhibit 2965, as well as other material that were submitted to the Board on this matter, the Board hereby approves reimbursement of research and development costs in the amount of \$263,507.14 for the Apiculture Pilot Program as authorized under section 522(b) of the Federal Crop Insurance Act, is hereby approved.

The Board voted to approve the resolution. (Exhibit 2965)

Approved

The Board next considered Docket No. CI -Reimbursement Request – Puerto Rico Plantain and Banana Plan of Insurance - 08-03.

Reimbursement Request – Puerto Rico Plantain and Banana Plan of Insurance

The Chair offered the following resolution, which was seconded, for adoption:

RESOLVED, that pursuant to the information contained in Docket No. CI -Reimbursement Request – Puerto Rico Plantain and Banana Plan of Insurance - 08-03, Exhibit 2966, as well as other material that were submitted to the Board on this matter, the Board hereby approves reimbursement of research and development costs in the amount of \$89,546.76 for the Plantain and Banana Crop Program as authorized under section 522(b) of the Federal Crop Insurance Act, is hereby approved.

The Board voted to approve the resolution. (Exhibit 2966)

Approved

Chairman Glauber brought to the floor Docket No. CI- Reimbursement Request – Processing Pumpkins Plan of Insurance 08-01.

Reimbursement Request – Processing Pumpkins Plan of Insurance

The Chair offered the following resolution, which was seconded, for adoption:

RESOLVED, that pursuant to the information contained in Docket No. CI-Reimbursement Request – Processing Pumpkins Plan of Insurance 08-01, Exhibit 2967, as well as other material that were submitted to the Board on this matter, the Board hereby approves reimbursement of first year maintenance costs in the amount of \$7,928 for the Processing Pumpkins Program as authorized under section 522(b) of the Federal Crop Insurance Act, is hereby approved.

The Board voted to approve the resolution. (Exhibit 2967)

Approved

The Board then considered Docket No. CI- Reimbursement Request – Group Risk Plan for Sugarcane Plan of Insurance 08-01.

Reimbursement Request – Group Risk Plan for

The Chair offered the following resolution, which was seconded, for adoption:

Sugarcane Plan  
of Insurance

RESOLVED, that pursuant to the information contained in Docket No. CI- Reimbursement Request – Group Risk Plan for Sugarcane Plan of Insurance 08-01, Exhibit No. 2968,<sup>1</sup> as well as other material that were submitted to the Board on this matter, the Board hereby approves reimbursement of research and development costs in the amount of \$353,239.09 for the GRP-Sugarcane Program as authorized under section 522(b) of the Federal Crop Insurance Act, is hereby approved.

The Board voted to approve the resolution. (Exhibit 2968)

Approved

The Board next considered Docket No. CI-Named Peril Weather Insurance Pilot Program 08-01.

Named Peril  
Weather  
Insurance Pilot  
Program

Ron Lundine of RMA reported to the Board that the Named Peril Weather Insurance (NPWI) product would insure specific, producer-elected weather perils based on National Climate Data Center (NCDC) weather stations near the insured acreage. Rating is based on historic weather data and is generated automatically by a web-based rate engine. Rating, premiums, and coverage are customized to reflect the risk management needs the producer has identified.

The Chair offered the following resolution, which was seconded, for adoption:

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (Act) requires the Board to enter into contracts with persons experienced as actuaries and in underwriting for reviews of any policy or plan of insurance, or any related material or modification of a policy or plan of insurance proposed to be offered under the Act, NOW  
THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI-Named Peril Weather Insurance Pilot Program 08-01, Exhibit 2969, the Board approves expert review for the Named Peril Weather Insurance Pilot Program and directs 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 Named Peril Weather Insurance plan of insurance prior to Board action; and 2) the attached task order statement of work be used to execute the contracts.

<sup>1</sup> Docket No. CI- Reimbursement Request – Group Risk Plan for Sugarcane Plan of Insurance 08-01 was incorrectly identified as Exhibit 2966 when it should have read 2968.

