

FINAL RESOLUTION

WHEREAS, the regulations governing the reimbursements of research and development costs require the Board to examine the costs claimed for reasonableness, and to reduce the costs at its sole discretion if they do not appear reasonable. The Board realizes that it must make a closer review of the costs claimed in requests for reimbursement to ensure that taxpayer dollars are spent on actual research and development and not for startup costs for new companies, education in crop insurance, or failure or delays in making changes recommended by the Risk Management Agency (RMA) or expert reviewers.

To assist the Board in making a meaningful review of the reasonableness of the costs claimed, the Board directed RMA to develop procedures that would require submitters to maintain sufficient records to allow the Board to conduct a meaningful review of the costs claimed. RMA presented its draft procedures to the Board at its February 2010 Board meeting and the Board subsequently requested RMA to provide the opportunity for any party to provide comments to the draft procedures. The Board has reviewed the comments received and has made revisions in response to some of the comments.

RESOLVED, that pursuant to the information contained in Docket No. CI- Approved Procedures for Determining Reasonableness – 05-13-10 01, Exhibit 3075, as well as other related materials that were submitted to the Board for consideration and discussion on this matter, the Board adopts the Approved Procedures for Determining Reasonableness of Reimbursement Expenses for 508(h) and Concept Proposals. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical procedural changes as are necessary to make the procedures legally sufficient.

Adopted by the Board of Directors on: 5/13/10

/signed/
Cindy Spoor, Secretary
Federal Crop Insurance Corporation

Approved by:

/signed/
Joseph Glauber
Chairman of the Board

5/13/10
Date