

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

Minute Exhibit No 2037 Board Meeting of 6/14/01
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A meeting of the Board of Directors (Board) of the Federal Crop Insurance Corporation (FCIC) was held on March 29, 2001, in room 104-A, Williamsburg Room, Jamie L. Whitten Federal Office Building, U.S. Department of Agriculture, Washington, D.C. The public was invited to attend.

Meeting
March 29, 2001

The meeting was called to order at 1:12 p.m.

Call to Order

Phyllis W. Honor, Acting Manager, Federal Crop Insurance Corporation, introduced Thomas Hunt Shipman to the Board and the audience. Mr. Shipman addressed the Board and audience in his role as Acting Deputy Under Secretary for Farm and Foreign Agricultural Services and on behalf of Secretary Ann Veneman who was not able to attend the meeting.

Thomas Hunt Shipman

Present were Keith Collins, Chief Economist, USDA; Michael Keating, Jack Kintzle, and Bobby Webster, constituting a statutory quorum; Phyllis W. Honor, Acting Manager, FCIC; and Diana Moslak, Secretary.

Present

Also present were Thomas Hunt Shipman, Acting Deputy Under Secretary and Butch May, Farm and Foreign Agricultural Services; Arnold Grundeman, Office of the General Counsel; Damaris Falero-Kendall, Assistant Secretary; Tim Witt, Marian Jenkins, Heyward Baker, Bill Buchanan, Don Stonecypher, Vondie O'Conner, Sharon Hestvik, and Jane McKinley of the Risk Management Agency (RMA); Barbara Leach, Consultant; Ken Ackerman, Olsson, Frank and Weeda, P.C.; Steven Van Voorhis, New York Farm Bureau; Roger K. Swartz, American Farm Bureau Insurance Services; Robert Parkerson and Thomas Zacharias of National Crop Insurance Services (NCIS); Dallas R. Smith, Consultant for NCIS; Dan Rosenstein, Counsel for Rural Community Insurance Services; Douglas May and John Owen of Fireman's Fund; and Stephen Frerichs of American Association of Crop Insurers.

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

Dispense with Reading
and Minutes Accepted

on January 12, 2001.

The motion carried. (Exhibit No. 2028.)

Joe Glauber of the Office of the Chief Economist arrived at the meeting at 1:25 p.m.

Joe Glauber

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

RESOLVED, That the Chief Economist of the U.S. Department of Agriculture, and current member of the Federal Crop Insurance Corporation Board of Directors, is selected to serve as Acting Chairperson of the Federal Crop Insurance Corporation Board of Directors until such time as a Chairperson may be elected.

Acting Chairperson

The motion carried. (Board Memorandum No. 601. Exhibit No. 2029.)

Mr. Collins assumed the role of Acting Chairperson.

Keith Collins

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

RESOLVED, That the Board directs the Manager, FCIC, to provide to the Board by the next Board meeting (1) definitions for the terms "maintenance," "expansion," "significant," and "nonsignificant" changes in order to determine what changes need to be submitted to the Board or for expert review; (2) a list and description of the different general types or categories of changes that are made to any existing policies published in the Code of Federal Regulations, any new or pilot programs, and their related materials; and (3) a list and description of the different general categories of changes that can be made to a policy, new or pilot program, or related materials by written agreement, AND BE IT FURTHER

Definitions and Internal Procedures for Use in Governing Changes Made to Any Existing and Any New or Pilot Programs

RESOLVED, That the Board directs the Manager, FCIC, to provide to the Board by the next scheduled Board meeting for each general category of change to a policy, new or pilot program, or related materials specified above the criteria used to guide the decision process for submitting such changes to the Board, AND BE IT FURTHER

RESOLVED, That the Board directs the Manager, FCIC, to draft

internal procedures, to be submitted for approval by the Board by its next scheduled meeting, to govern which general categories of changes must be submitted to the Board for approval or for expert review under section 508(e) of the Act.

The motion carried. (Board Memorandum No. 602. Exhibit No. 2030.)

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

RESOLVED, That the resolution to contract out for the review of the proposed changes to the Income Protection - Barley Crop Insurance Program Malting Barley Price and Quality Endorsement be, and it is hereby, rescinded. By order of the Board of Directors on March 29, 2001.

The motion carried. (Board Memorandum No. 603. Exhibit No. 2031.)

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

RESOLVED: That 1) the Risk Management Agency be directed to perform the activities necessary to enter into contracts with persons or entities included on the expanded list of expert reviewers, and 2) the amended general statement of work be used to structure the contracts.

The motion carried. (Board Memorandum No. 604. Exhibit No. 2032.)

Thomas Hunt Shipman left the meeting at 2:00 p.m.

There being no further business to come before the Board, the meeting adjourned at 2:25 p.m., sine die.

March 29, 2001

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

Rescission of Board
Memorandum No. 589

Expanded List of
Reviewers and
Amended General
Statement of Work

Thomas Hunt Shipman

Adjourn