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 21, 2016, in room G28D, 6501 Beacon Drive, Kansas City, MO. The public was invited to attend the open session portion of the meeting.	Meeting September 21, 2016
The meeting was called to order at 9:00 am, September 21, 2016.	Call to Order Open Session
The Board immediately went into executive session to discuss confidential matters with Risk Management Agency (RMA) staff and submitters of private products under the Federal Crop Insurance Act (Act).	Executive Session
The open session of the Board reconvened at 9:30 am.	Reconvene 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 and advised each member to act accordingly.	Recitation
The Chairman requested Board members to introduce themselves. Present were Rob Johansson, Chief Economist, USDA; James Bardenhagen, Iris Saenz, John Finston, Margaret Goode, Ellen Linderman, Kenneth Sneed and Brandon Willis, Manager, FCIC, constituting a statutory quorum, and Robin Anderson, Secretary, FCIC.	Present
Also present were Tom Worth, Bill Bing, Ron Lundine, Tim Hoffman, Tara Ponds, Robert Ebel, Margo Erny, Pat Engel, Leiann Nelson, and Cindy Spoor, RMA; Kim Arrigo, and Isabell Rosa, Office of the General Counsel; Greg Bennet and Janet DeJung, RMA-Northern Regional Compliance Office; Joseph Bryant and Jil Voris, RMA-Evaluation, Audit and Recovery Division; Samuel Caudill, RMA-Midwest Regional Compliance Office; Chris Cochran, DeNira Dedeaux, Megan Hagedorn, Derrick Johnson, Nathan Martin, Chandra Mason and Marissa Williams, RMA-Product Management; David Duncan, Adam Jones, and Jeanne Lindsey, RMA-Valdosta Regional Office; Nick Gans and Anastasia Griffin,	

RMA-Spokane Regional Office; Kemane Hagerman, Amanda Hancock, Brianne Overstreet, Jane Searcy, and Angie Staiert, RMA-Southern Regional Compliance Office; Laura Hernandez, RMA-Davis Regional Office; Charlotte Kline, RMA-Office of the Chief Financial Officer; Christopher Lord, RMA-Midwest Regional Compliance Office; Maria Medina and Alisa Navarro, RMA-Southern Regional Office; David Niepert, RMA-Springfield Regional Office; Sheila Schenk, RMA-Billings Regional Office; Alexander Sereno, RMA-Raleigh Regional Office. Present by phone was Alex Offerdahl, Watts and Associates.	
Chairman Johansson asked Brandon Willis for the Manager's Report. Mr. Willis stated that the Manager's Report is available on line.	Manager's Report
Hearing no objection, Dr. Johansson agreed to dispense with a reading of the Manager's Report. (Exhibit 4361)	Dispense with Reading Report
A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes (Exhibit 4362) of the meeting of the Board held on August 18, 2016.	Dispense with Reading Minutes
The motion carried. (Exhibit 4362)	Approved
The Chairman brought to the floor the following Dockets:	Reimbursement Requests
Docket No. CI-Section 508(h) Submission ARPI Popcorn-Maintenance Reimbursement Request 09-21-16 01;	ARPI Popcorn
Docket No. CI-Section 508(h) Submission Specialty Trait Soybeans-Maintenance Reimbursement Request 09-21-16 01;	Specialty Trait Soybeans
Docket No. CI-Section 508(h) Submission Specialty Corn-Maintenance Reimbursement Request 09-21-16 01;	Specialty Corn
Docket No. CI-Section 508(h) Submission Specialty Canola-Maintenance Reimbursement Request 09-21-16 01;	Specialty Canola
Docket No. CI-Section 508(h) Submission Malt Barley-Maintenance Reimbursement Request 09-21-16 01;	Malt Barley
No. CI-Section 508(h) Submission Pulse Crop Revenue-Maintenance Reimbursement Request 09-21-16 01;	Pulse Crop Revenue

Docket No. CI-Section 508(h) Submission Popcorn Revenue-Maintenance Reimbursement Request 09-21-16 01;	Popcorn Revenue
Docket No. CI-Section 508(h) Submission Margin Protection (Watts)-Maintenance Reimbursement Request 09-21-16 01;	Margin Protection
Docket No. CI-Section 508(h) Submission Margin Protection (FarmRisk)-Maintenance Reimbursement Request 09-21-16 01;	Margin Protection
Docket No. CI-Section 508(h) Submission Machine Harvested Cucumber-Maintenance Reimbursement Request 09-21-16 01;	Machine Harvested Cucumber
Docket No. CI-Section 508(h) Submission Clary Sage-Maintenance Reimbursement Request 09-21-16 01;	Clary Sage
Docket No. CI-Section 508(h) Submission Louisiana Sweet Potatoes-Maintenance Reimbursement Request 09-21-16 01;	Louisiana Sweet Potatoes
Docket No. CI-Section 508(h) Submission Camelina-Maintenance Reimbursement Request 09-20-16 01;	Camelina
Docket No. CI-Section 508(h) Submission Sugarcane Improvements-Research and Development Reimbursement Request 09-21-16 01;	Sugarcane Improvements
Docket No. CI-Section 508(h) Submission Peanut Revenue-Maintenance Reimbursement Request 09-21-16 01;	Peanut Revenue
Docket No. CI-Section 508(h) Submission Downed Rice-Maintenance Reimbursement Request 09-21-16 01;	Downed Rice
Docket No. CI-Section 508(h) Submission Trend APH-Maintenance Reimbursement Request 09-21-16 01;	Trend APH
Docket No. CI-Section 508(h) Submission Hybrid Rice Seed-Research and Development Reimbursement Request 09-21-16 01; and	Hybrid Rice Seed
Docket No. CI-Section 508(h) Submission Annual Forage Rainfall Index-Maintenance Reimbursement Request 09-21-16 01.	Annual Forage Rainfall Index

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

RESOLVED, that pursuant to the information contained in the dockets listed herein, as well as other materials that were submitted to the Board on this matter, the Board hereby approves the requested reimbursement of research and development or maintenance costs using established guidelines in the Approved Procedures for Determining Reasonableness of Reimbursement Expenses for 508(h) and Concept Proposal Submissions as authorized under section 522(b) of the Federal Crop Insurance Act in the following amounts:

$23,739.51 for first-year maintenance expenses for Docket No. CI-Section 508(h) Submission ARPI Popcorn-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4363;

$15,804.40 for remaining-fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Specialty Trait Soybeans-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4364;

$37,878.45 for fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Specialty Corn-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4365;

$45,570.31 for fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Specialty Canola-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4366;

$227,613.25 for first-year maintenance expenses for Docket No. CI-Section 508(h) Submission Malt Barley-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4367;

$192,687.16 for fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Pulse Crop Revenue-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4368;

$10,041.55 for remaining-fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Popcorn Revenue-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4369;

$625,446.95 for first-year maintenance expenses for Docket No. CI-Section 508(h) Submission Margin Protection (Watts)-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4370;

$71,002.90 for first-year maintenance expenses for Docket No. CI-Section 508(h) Submission Margin Protection (FarmRisk)-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4371;

$88,060.29 for third-year maintenance expenses for Docket No. CI-Section 508(h) Submission Machine Harvested Cucumber-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4372;

$15,802.12 for first-year maintenance expenses for Docket No. CI-Section 508(h) Submission Clary Sage-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4373;

$10,219.73 for remaining-fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Louisiana Sweet Potatoes-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4374;

$298.13 for fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Camelina-Maintenance Reimbursement Request 09-20-16 01, Exhibit 4375;

$322,013.52 for research and development expenses for Docket No. CI-Section 508(h) Submission Sugarcane Improvements-Research and Development Reimbursement Request 09-21-16 01, Exhibit 4376;

$103,261.30 for second-year maintenance expenses for Docket No. CI-Section 508(h) Submission Peanut Revenue-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4377;

$147,998.84 for third-year maintenance expenses for Docket No. CI-Section 508(h) Submission Downed Rice-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4378;

$92,741.75 for the remaining fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Trend APH-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4379;

$80,505.64 for research and development expenses for Docket No. CI-Section 508(h) Submission Hybrid Rice Seed-Research and Development Reimbursement Request 09-21-16 01, Exhibit 4380; and

$212,372.68 for fourth-year maintenance expenses for Docket No. CI-Section 508(h) Submission Annual Forage Rainfall Index-Maintenance Reimbursement Request 09-21-16 01, Exhibit 4381.

The board voted to approve. (Exhibits 4364-4381)

Approved

Chairman Johansson then offered the following resolution, which was seconded:

Annual Forage Rainfall Index

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Annual Forage Rainfall Index User Fee Request 09-21-16 01, Exhibit 4382, as well as other material that were submitted to the Board on this matter, the Board hereby approves the user fee of 3.3 percent of premium, up to an annual maximum of $250,000, as submitted, for the Annual Forage Rainfall Index plan of insurance beginning with the 2017 insurance year.

There being no discussion, the Board voted to approve. (Exhibit 4282)

Approved

Robin Anderson, Secretary to the Board then read the following statement (Exhibit 4383):

Sense of the Board

The Board is responsible for determining whether requests for reimbursement and user fees are reasonable. The Board had previously issued procedures for determining the reasonableness of reimbursement expenses in 2010, but this Board has concluded that such procedures do not require reporting of sufficient information with respect to research and development, maintenance, and user fees. As a result, the Board will be revising its procedures to require more meaningful information that will allow it to better assess the work required and whether the hours, wage, and rates claimed to accomplish that work are reasonable.

There being no further business the Board voted to adjourn and to meet again November 15-17, 2016, in Washington, DC.

Adjourn

September 21, 2016

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Robin Anderson, Secretary
Federal Crop Insurance Corporation