March 24, 2000

INFORMATIONAL MEMORANDUM: R&D-00-023

TO: All Reinsured Companies
    All Risk Management Agency Field Offices

FROM: Tim B. Witt
    Deputy Administrator

SUBJECT: Announcement of Solicitation for Program Development

The Risk Management Agency (RMA) previously announced its intent to offer competitive contracts for the development of new crop insurance products and other risk management programs. A synopsis of how RMA intends to solicit contractor proposals was published in the Commerce Business Daily (printed issue date: March 2, 2000.) This information is also available from the RMA website at: http://www.rma.usda.gov/.

Recently, a Request For Information (RFI) was published on RMA’s behalf. The RFI solicits comments on the Statement of Work (SOW) for a specific set of tasks. In order to be considered, comments must be submitted to Contracting Officer Scott Wolz by April 7, 2000. The draft SOW is available at: http://www.fsa.usda.gov/amb/.

The comments received in response to the RFI will be used to finalize the SOW, which will be published as part of a Request For Proposals (RFP). It is expected that the RFP will be published on or about May 5, 2000, with the final response date set for approximately one month later.

The proposal submissions will result in the award of multiple, Indefinite Delivery, Indefinite Quantity (IDIQ), fixed-price contracts that contain a base year and four option periods of one year each. Those interested in submitting a proposal should monitor the Commerce Business Daily and the RMA website for additional information.

RMA anticipates that the contract scope will include, among other things, conducting market research; selecting appropriate risk management models; creating risk management policies, procedures, and forms; establishing rating and pricing models, premium rates, and prices; and making recommendations, as needed, for revisions to RMA’s business processing system.
This approach is intended to accelerate the development of new risk management programs; allow the development process to benefit from the expertise and innovation of the public and private sectors; and provide more opportunities for participation in the development process. All interested parties are encouraged to participate with RMA in this opportunity to develop risk management tools, products, and strategies for the American farmer.

**DISPOSAL DATE:**

This Informational Memorandum is for the purpose of transmitting information and the expiration date is December 31, 2000.