

Form **990**

Department of the Treasury  
Internal Revenue Service

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

**2011**

Open to Public Inspection

**A For the 2011 calendar year, or tax year beginning and ending**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Terminated  
 Amended return  
 Application pending

**C Name of organization**  
**NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION**  
 Doing Business As  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
**4301 WILSON BLVD FIN8-110**  
 City or town, state or country, and ZIP + 4  
**ARLINGTON, VA 22203**

**D Employer identification number**  
**53-0116145**

**E Telephone number**  
**(703)907-5960**

**F Name and address of principal officer: GLENN ENGLISH**  
**SAME AS C ABOVE**

**G Gross receipts \$** **183,632,850.**

**H(a) Is this a group return for affiliates?**  Yes  No  
**H(b) Are all affiliates included?**  Yes  No  
 If "No," attach a list. (see instructions)  
**H(c) Group exemption number** ▶

**I Tax-exempt status:**  501(c)(3)  501(c) ( 6 ) ◀ (insert no.)  4947(a)(1) or  527

**J Website:** ▶ **NRECA.COOP**

**K Form of organization:**  Corporation  Trust  Association  Other ▶

**L Year of formation:** **1942** **M State of legal domicile:** **DC**

NOV 15 2012

ENVELOPE

POSTMARK DATE

SCANNED DEC 26 2012

**Part I Summary**

1 Briefly describe the organization's mission or most significant activities: <b>MEMBERSHIP ASSOCIATION DEDICATED TO REPRESENTING THE NATIONAL INTERESTS OF COOPERATIVE ELECTRIC</b>			
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
3	Number of voting members of the governing body (Part VI, line 1a)	3	47
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	47
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	828
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	2,211,449.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	509,882.
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	250,000.
	9 Program service revenue (Part VIII, line 2g)	Current Year	17,507,505.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		128,562,624.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		36,407.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		471,012.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		92,057,382.
	16a Professional fundraising fees (Part IX, column (A), line 11a)		0.
	b Total fundraising expenses (Part IX, column (A), line 25)		0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		44,251,480.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		77,288,613.	
19 Revenue less expenses. Subtract line 18 from line 12		136,308,862.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	6,439,774.
	21 Total liabilities (Part X, line 26)	End of Year	2,037,475.
	22 Net assets or fund balances. Subtract line 21 from line 20		185,977,987.
			212,734,842.
			104,360,129.
			84,925,781.

RECEIVED  
NOV 21 2012  
IRSOCS  
OGDEN, UT

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature of officer: *Patrick Gioffre* Date: **11/13/2012**

Type or print name and title: **PATRICK GIOFFRE, EXEC. VP INT**

**Paid Preparer Use Only**

Print/Type preparer's name: \_\_\_\_\_ Preparer's signature: \_\_\_\_\_

Firm's name: **NATIONAL RURAL ELECTRIC**

Firm's address: **4301 WILSON BLVD**  
**ARLINGTON, VA 22203**

May the IRS discuss this return with the preparer shown above? (see instructions)

NATIONAL RURAL ELECTRIC  
COOPERATIVE ASSOCIATION

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:  
THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION (NRECA) IS THE SERVICE ORGANIZATION FOR 1,053 RURAL ELECTRIC COOPERATIVES, PUBLIC POWER DISTRICTS AND PUBLIC UTILITY DISTRICTS. NRECA'S MISSION IS TO ENGAGE IN THE COMPILATION AND DISSEMINATION OF INFORMATION WITH

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code ) (Expenses \$ 0. including grants of \$ 0. ) (Revenue \$ 0. )  
REGULATORY & LEGISLATIVE: NRECA PROVIDES LEGAL AND SUPPORT SERVICES TO MEMBERS RELATED TO COMPLIANCE AND REGULATORY ISSUES. IN ADDITION, NRECA CONVEYS TO MEMBERS OF CONGRESS AND THEIR STAFFS, FEDERAL AGENCIES AND THE ADMINISTRATION VIEWS OF THE 42 MILLION CONSUMERS-MEMBERS SERVICED BY RURAL ELECTRIC COOPERATIVES, AS WELL AS KEEPING OUR MEMBERSHIP INVOLVED WITH THE LEGISLATIVE PROCESS.

4b (Code ) (Expenses \$ 0. including grants of \$ 0. ) (Revenue \$ 0. )  
CONSULTING, TRAINING, & CONFERENCES: NRECA PROVIDES MEMBERS WITH ESSENTIAL INDUSTRY SPECIFIC TRAINING AS WELL AS DIRECTOR, MANAGER, AND EMPLOYEE TRAINING; CONSULTING RELATED TO THE ORGANIZATION AND PROCESS IMPROVEMENTS, AND INDUSTRY AND TECHNOLOGICAL CHANGES; AND CONFERENCES AND MEMBERSHIP MEETINGS, PROMOTING COLLABORATION AND NETWORKING.

4c (Code ) (Expenses \$ 0. including grants of \$ 0. ) (Revenue \$ 0. )  
MULTIPLE EMPLOYER BENEFIT PLAN ADMINISTRATION: NRECA PROVIDES PLAN ADMINISTRATION SERVICES ON A COST REIMBURSABLE BASIS TO THREE MULTIPLE EMPLOYER BENEFIT PROGRAMS IN WHICH NRECA MEMBER COOPERATIVES CAN PARTICIPATE. THEY CONSIST OF TWO RETIREMENT PROGRAMS, THE RETIREMENT SECURITY PROGRAM, WHICH IS A DEFINED BENEFIT PENSION PLAN, AND THE NRECA 401(K) PENSION PLAN, WHICH IS A DEFINED CONTRIBUTION PENSION PLAN. THESE TWO PLANS SERVE MORE THAN 60,000 ACTIVE AND RETIRED EMPLOYEES OF NRECA MEMBER COOPERATIVES. THE THIRD PLAN IS THE GROUP BENEFITS TRUST, WHICH PROVIDES MEDICAL, DENTAL, VISION, DISABILITY, LIFE, TRAVEL, AND ACCIDENT INSURANCE TO NRECA MEMBER COOPERATIVES. THE RS AND 401(K) PENSION PLANS ARE EXEMPT FROM INCOME TAXES UNDER IRS SECTION 401 AND THE GROUP BENEFITS TRUST IS EXEMPT UNDER IRS SECTION

4d Other program services (Describe in Schedule O.)  
(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses

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COOPERATIVE ASSOCIATION

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**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) MICHAEL GUIDRY PRESIDENT	18.00	X		X				47,250.	0.	0.
(19) SCOTT HALLOWELL BOARD MEMBER	4.00	X						18,550.	0.	0.
(20) WILLIAM HART BOARD MEMBER	6.00	X						23,150.	0.	0.
(21) ANGUS HASTINGS BOARD MEMBER	4.00	X						16,800.	0.	0.
(22) MARK HOFER BOARD MEMBER	16.00	X						21,000.	0.	0.
(23) CLARENCE KELLER BOARD MEMBER	9.00	X						11,000.	0.	11,000.
(24) KERRY KELTON BOARD MEMBER	5.00	X						20,300.	0.	0.
(25) MEERA KOHLER BOARD MEMBER	7.00	X						22,400.	0.	0.
(26) DONALD LINK BOARD MEMBER	6.00	X						0.	0.	14,000.
<b>1b Sub-total</b>								465,600.	0.	38,300.
<b>c Total from continuation sheets to Part VII, Section A</b>								11058024.	0.	2,929,084.
<b>d Total (add lines 1b and 1c)</b>								11523624.	0.	2,967,384.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

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- 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
DANIELLE CORBIN 7400 NATHANIEL DR, MOUNT AIRY, MD 21771	MAGAZINE ADVERTISING SALES	383,044.
SCHIFF HARDIN LLP, 1666 K STREET, NW SUITE 300, WASHINGTON, DC 20006	LEGAL SERVICES	359,526.
PRICEWATERHOUSE COOPERS LLP BOX 7247-8001, PHILADELPHIS, PA 19170	AUDIT & TAX SERVICES	354,847.
RALPH GRAVES PRODUCTIONS, 9200 WIGHTMAN ROAD, SUITE 220, MONTGOMERY VILLAGE, MD	CONVENTION SERVICES	302,647.
SUMMIT GROUP LLC, DIVISION 30 8079 SOLUTIONS CENTER, CHICAGO, IL 60677	MARKETING SERVICES	273,194.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

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SEE PART VII, SECTION A CONTINUATION SHEETS

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