

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  
**2012**  
**Open to Public Inspection**

**A For the 2012 calendar year, or tax year beginning 01-01-2012, 2012, and ending 12-31-2012**

|   |  |  |
|---|--|--|
| <b>B</b> Check if applicable:<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Terminated<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | <b>C</b> Name of organization<br>NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION<br><br>Doing Business As<br><br>Number and street (or P O box if mail is not delivered to street address) Room/suite<br>4301 WILSON BLVD FIN8-110<br><br>City or town, state or country, and ZIP + 4<br>ARLINGTON, VA 22203<br><br><b>F</b> Name and address of principal officer<br>JO ANN EMERSON<br>4301 WILSON BLVD FIN8-110<br>ARLINGTON, VA 22203 | <b>D</b> Employer identification number<br>53-0116145<br><br><b>E</b> Telephone number<br>(703) 907-5960<br><br><b>G</b> Gross receipts \$ 178,925,130   |
| <b>I</b> Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) ( 6 ) (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527  |  | <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br><b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If "No," attach a list (see instructions)<br><br><b>H(c)</b> Group exemption number |
| <b>J</b> Website: NRECA COOP  |  | <b>L</b> Year of formation 1942 <b>M</b> State of legal domicile DC  |
| <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other   |  |  |

**Part I Summary**

| <b>Activities &amp; Governance</b>   | <b>1</b> Briefly describe the organization's mission or most significant activities<br>MEMBERSHIP ASSOCIATION DEDICATED TO REPRESENTING THE NATIONAL INTERESTS OF COOPERATIVE ELECTRIC UTILITIES AND THE CONSUMERS THEY SERVE NRECA HAS MORE THAN 1,000 MEMBER COOPERATIVES THAT SERVE 42 MILLION CONSUMERS IN 47 STATES<br><br><b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets<br><br><b>3</b> Number of voting members of the governing body (Part VI, line 1a) . . . . . <b>3</b> 47<br><b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . . <b>4</b> 47<br><b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a) . . . . . <b>5</b> 838<br><b>6</b> Total number of volunteers (estimate if necessary) . . . . . <b>6</b> 0<br><b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 . . . . . <b>7a</b> 1,989,656<br><b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . . <b>7b</b> 0 |   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
|--|--|---|--|---------------------------|--------------|---|-------------|-------------|---|-------------|-------------|--|------------|------------|--|------------|------------|--|-------------|-------------|--|-------------|-------------|---|-----------|-----------|
| <b>Revenue</b>   |  | <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Prior Year</th> <th style="text-align: center;">Current Year</th> </tr> </thead> <tbody> <tr> <td><b>8</b> Contributions and grants (Part VIII, line 1h) . . . . .</td> <td style="text-align: right;">17,507,505</td> <td style="text-align: right;">8,722,564</td> </tr> <tr> <td><b>9</b> Program service revenue (Part VIII, line 2g) . . . . .</td> <td style="text-align: right;">143,262,642</td> <td style="text-align: right;">146,987,571</td> </tr> <tr> <td><b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .</td> <td style="text-align: right;">471,012</td> <td style="text-align: right;">173,927</td> </tr> <tr> <td><b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)</td> <td style="text-align: right;">14,194,664</td> <td style="text-align: right;">14,838,010</td> </tr> <tr> <td><b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .</td> <td style="text-align: right;">175,435,823</td> <td style="text-align: right;">170,722,072</td> </tr> </tbody> </table>   |  | Prior Year                | Current Year | <b>8</b> Contributions and grants (Part VIII, line 1h) . . . . .                  | 17,507,505  | 8,722,564   | <b>9</b> Program service revenue (Part VIII, line 2g) . . . . .                             | 143,262,642 | 146,987,571 | <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .  | 471,012    | 173,927    | <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 14,194,664 | 14,838,010 | <b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . . | 175,435,823 | 170,722,072 |  |             |             |   |           |           |
|  | Prior Year   | Current Year  |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>8</b> Contributions and grants (Part VIII, line 1h) . . . . .                                     | 17,507,505   | 8,722,564   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>9</b> Program service revenue (Part VIII, line 2g) . . . . .                                      | 143,262,642  | 146,987,571   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .                    | 471,012  | 173,927   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)                   | 14,194,664   | 14,838,010  |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . . | 175,435,823  | 170,722,072   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>Expenses</b>  |  | <table border="1" style="width:100%; border-collapse: collapse;"> <tbody> <tr> <td><b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3) . . . . .</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td><b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td><b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)</td> <td style="text-align: right;">96,109,735</td> <td style="text-align: right;">97,495,827</td> </tr> <tr> <td><b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td><b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <b>0</b></td> <td></td> <td></td> </tr> <tr> <td><b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) . . . . .</td> <td style="text-align: right;">77,288,613</td> <td style="text-align: right;">70,097,937</td> </tr> <tr> <td><b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)</td> <td style="text-align: right;">173,398,348</td> <td style="text-align: right;">167,593,764</td> </tr> <tr> <td><b>19</b> Revenue less expenses Subtract line 18 from line 12 . . . . .</td> <td style="text-align: right;">2,037,475</td> <td style="text-align: right;">3,128,308</td> </tr> </tbody> </table> | <b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3) . . . . . | 0                         | 0            | <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . . | 0           | 0           | <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) | 96,109,735  | 97,495,827  | <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . . | 0          | 0          | <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <b>0</b>        |            |            | <b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) . . . . .                     | 77,288,613  | 70,097,937  | <b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) | 173,398,348 | 167,593,764 | <b>19</b> Revenue less expenses Subtract line 18 from line 12 . . . . . | 2,037,475 | 3,128,308 |
| <b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3) . . . . .                 | 0  | 0   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .                    | 0  | 0   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)          | 96,109,735   | 97,495,827  |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .                   | 0  | 0   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <b>0</b>                          |  |   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) . . . . .                     | 77,288,613   | 70,097,937  |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)                   | 173,398,348  | 167,593,764   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>19</b> Revenue less expenses Subtract line 18 from line 12 . . . . .                              | 2,037,475  | 3,128,308   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>Net Assets or Fund Balances</b>   |  | <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Beginning of Current Year</th> <th style="text-align: center;">End of Year</th> </tr> </thead> <tbody> <tr> <td><b>20</b> Total assets (Part X, line 16) . . . . .</td> <td style="text-align: right;">212,734,842</td> <td style="text-align: right;">211,569,345</td> </tr> <tr> <td><b>21</b> Total liabilities (Part X, line 26) . . . . .</td> <td style="text-align: right;">127,809,061</td> <td style="text-align: right;">122,153,102</td> </tr> <tr> <td><b>22</b> Net assets or fund balances Subtract line 21 from line 20 . . . . .</td> <td style="text-align: right;">84,925,781</td> <td style="text-align: right;">89,416,243</td> </tr> </tbody> </table>  |  | Beginning of Current Year | End of Year  | <b>20</b> Total assets (Part X, line 16) . . . . .                                | 212,734,842 | 211,569,345 | <b>21</b> Total liabilities (Part X, line 26) . . . . .                                     | 127,809,061 | 122,153,102 | <b>22</b> Net assets or fund balances Subtract line 21 from line 20 . . . . .      | 84,925,781 | 89,416,243 |  |            |            |  |             |             |  |             |             |   |           |           |
|  | Beginning of Current Year  | End of Year   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>20</b> Total assets (Part X, line 16) . . . . .   | 212,734,842  | 211,569,345   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>21</b> Total liabilities (Part X, line 26) . . . . .  | 127,809,061  | 122,153,102   |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |
| <b>22</b> Net assets or fund balances Subtract line 21 from line 20 . . . . .                        | 84,925,781   | 89,416,243  |  |                           |              |   |             |             |   |             |             |  |            |            |  |            |            |  |             |             |  |             |             |   |           |           |

**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

|                               |   |  |
|-------------------------------|---|--|
| <b>Sign Here</b>              | *****<br>Signature of officer                               | 2013-11-14<br>Date   |
|                               | PATRICK GIOFFRE VP, FINANCE<br>Type or print name and title |  |
| <b>Paid Preparer Use Only</b> | Prnt/Type preparer's name<br>Preparer's signature<br>Date   | Check <input type="checkbox"/> if self-employed<br>PTIN<br>Firm's name <b>NATIONAL RURAL ELECTRIC COOPERATIVE ASSO</b><br>Firm's EIN <b>53-0116145</b><br>Firm's address <b>4301 WILSON BLVD</b><br>ARLINGTON, VA 22203<br>Phone no (703) 907-5960 |

May the IRS discuss this return with the preparer shown above? (see instructions) . . . . .  Yes  No

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 1,047 RURAL ELECTRIC COOPERATIVES, PUBLIC POWER DISTRICTS AND PUBLIC UTILITY DISTRICTS NRECA'S MISSION IS TO ENGAGE IN THE COMPILATION AND DISSEMINATION OF INFORMATION WITH RESPECT TO RURAL ELECTRIFICATION AND THE FURNISHING OF OTHER SERVICES TO RURAL ELECTRIC COOPERATIVES AND OTHERS IN CONNECTION WITH THE COORDINATION, ADVANCEMENT, AND DEVELOPMENT OF RURAL ELECTRIFICATION IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, FOR THE PRIMARY AND MUTUAL BENEFIT OF THE MEMBERS OF THE ASSOCIATION AND THEIR CONSUMER MEMBERS

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 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 \$ including grants of \$) (Revenue \$)

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 \$ including grants of \$) (Revenue \$)

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 \$ including grants of \$) (Revenue \$)

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 EXPEMPT FROM INCOME TAXES UNDER IRS SECTION 401 AND THE GROUP BENEFITS TRUST IS EXEMPT UNDER IRS SECTION 501(C)(9)

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

4e Total program service expenses

