

Form **990**

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2016 calendar year, or tax year beginning and ending

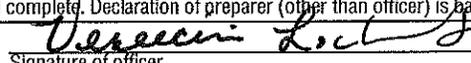
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION		D Employer identification number 53-0116145
	Doing business as		E Telephone number (703) 907-5960
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 186,129,629.
	4301 WILSON BLVD FIN8-110		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
City or town, state or province, country, and ZIP or foreign postal code ARLINGTON, VA 22203		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
F Name and address of principal officer: JIM MATHESON SAME AS C ABOVE		H(c) Group exemption number	
I 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			
J Website: NRECA.COOP			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation: 1942 M State of legal domicile: DC	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: MEMBERSHIP ASSOCIATION DEDICATED TO REPRESENTING THE NATIONAL INTEREST OF COOPERATIVE ELECTRIC
	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 2016 (Part V, line 2a) 5 856
	6 Total number of volunteers (estimate if necessary) 6 0
	7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 7,062,145.
b Net unrelated business taxable income from Form 990-T, line 34 7b 1,191,637.	
Revenue	8 Contributions and grants (Part VIII, line 1h) 1,812,109. 2,222,312.
	9 Program service revenue (Part VIII, line 2g) 155,657,230. 160,322,292.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 133,742. 178,981.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 15,423,156. 16,070,592.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 173,026,237. 178,794,177.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 0. 0.
	14 Benefits paid to or for members (Part IX, column (A), line 4) 0. 0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 116,968,738. 113,950,529.
	16a Professional fundraising fees (Part IX, column (A), line 11a) 0. 0.
	b Total fundraising expenses (Part IX, column (D), line 25) 0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 59,379,252. 66,981,440.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 176,347,990. 180,931,969.	
19 Revenue less expenses. Subtract line 18 from line 12 -3,321,753. -2,137,792.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16) Beginning of Current Year 179,704,649. End of Year 187,608,149.
	21 Total liabilities (Part X, line 26) 92,446,227. 98,478,236.
	22 Net assets or fund balances. Subtract line 21 from line 20 87,258,422. 89,129,913.

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		Date 11/15/17			
	VENEICIA LOCKHART, VP, FINANCE	Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name	Firm's EIN	Phone no.		
Firm's address					

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

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:
NRECA'S PURPOSE 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

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, LEGAL, AND LEGISLATIVE: NRECA PROVIDES SUPPORT SERVICES TO
MEMBERS RELATED TO COMPLIANCE, LEGAL, AND REGULATORY ISSUES. IN
ADDITION, NRECA EDUCATES AND ADVOCATES TO MEMBERS OF CONGRESS AND THEIR
STAFFS, FEDERAL AGENCIES, AND THE ADMINISTRATION ON POLICY ISSUES
IMPACTING NRECA VOTING MEMBERS AND THE 42 MILLION CONSUMERS-MEMBERS
SERVED BY NRECA VOTING MEMBERS, AND KEEPS OUR MEMBERSHIP INVOLVED WITH
THE LEGISLATIVE PROCESS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)
CONSULTING, TRAINING, AND 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 MOST NRECA MEMBERS CAN PARTICIPATE.
THEY CONSIST OF TWO RETIREMENT PROGRAMS, THE NRECA RETIREMENT SECURITY
PLAN, WHICH IS DEFINED BENEFIT PENSION PLAN AND IS EXEMPT FROM INCOME
TAX UNDER IRS SECTION 401(A), AND THE NRECA 401(K) PENSION PLAN, WHICH
IS A DEFINED CONTRIBUTION PENSION PLAN AND IS EXEMPT FROM INCOME TAX
UNDER IRS SECTION 501. THESE TWO PLANS SERVE MORE THAN 60,000 ACTIVE
AND RETIRED EMPLOYEES OF MOST NRECA MEMBERS. THE THIRD PLAN IS THE
NRECA GROUP BENEFIT PROGRAM, WHICH PROVIDES MEDICAL, DENTAL, VISION,
DISABILITY, LIFE, TRAVEL, AND ACCIDENT INSURANCE TO MOST NRECA MEMBERS.
THIS PLAN IS EXEMPT FROM INCOME TAX UNDER IRS SECTION 501(C)(9).

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

4e Total program service expenses

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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>		X
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	X	
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	X	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	X	
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b <i>If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	
Note. All Form 990 filers are required to complete Schedule O		

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
3b	If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the sponsoring organization make any taxable distributions under section 4966?		
9b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
	47		
b	Enter the number of voting members included in line 1a, above, who are independent		
	47		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?	X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
10b			
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
12c			
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	X	
b	Other officers or key employees of the organization	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		
16b			

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **VA**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records: **▶**
VENECIA LOCKHART - (703)907-5960
4301 WILSON BLVD FIN8-110, ARLINGTON, VA 22203-1860

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Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(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			
(1) MEL COLEMAN PRESIDENT	24.00	X		X				95,600.	0.	0.
(2) PHIL CARSON VICE PRESIDENT	17.00	X		X				89,500.	0.	0.
(3) CURTIS WYNN SECRETARY-TREASURER	17.00	X		X				80,550.	0.	0.
(4) ANTHONY ANDERSON DIRECTOR	4.00	X						29,950.	0.	0.
(5) LAWRENCE BECKER DIRECTOR	10.60		X					25,000.	0.	0.
(6) MARK BROWN DIRECTOR	0.30		X					0.	0.	0.
(7) BRYAN CASE DIRECTOR	3.00		X					15,300.	0.	0.
(8) CHRIS CHRISTENSEN DIRECTOR	5.00		X					29,300.	0.	0.
(9) KENNETH COLBURN DIRECTOR	9.00		X					21,600.	0.	0.
(10) MICHAEL CROSS DIRECTOR	1.00		X					9,000.	0.	0.
(11) MICHELLE DAVIA DIRECTOR	4.00		X					24,550.	0.	0.
(12) MARION DINGER DIRECTOR	20.00		X					20,800.	0.	0.
(13) KEVIN DODDRIDGE DIRECTOR	1.00		X					15,300.	0.	0.
(14) DANIEL DYER DIRECTOR	3.00		X					9,050.	0.	9,600.
(15) ROY FRIEDERSDORF DIRECTOR	4.60		X					25,850.	0.	0.
(16) SANDRA GREEN DIRECTOR	3.60		X					21,600.	0.	0.
(17) SCOTT HALLOWELL DIRECTOR	5.00		X					22,950.	0.	0.

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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 (list any hours for related organizations below line)	(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) CHRISTOPHER HAMON DIRECTOR	9.00	X						18,900.	0.	0.
(19) WILLIAM HART DIRECTOR	8.00	X						33,150.	0.	0.
(20) MARK HOFER DIRECTOR	5.60	X						24,550.	0.	0.
(21) DAVID IHA DIRECTOR	0.40	X						27,700.	0.	0.
(22) DAVID IHA DIRECTOR	6.00	X						16,800.	0.	5,400.
(23) KERRY KELTON DIRECTOR	11.60	X						51,000.	0.	0.
(24) MEERA KOHLER DIRECTOR	0.40	X						41,750.	0.	0.
(25) THOMAS MADSEN DIRECTOR	10.60	X						7,800.	0.	14,050.
(26) JOSEPH MARTIN DIRECTOR	0.40	X						20,700.	0.	0.
1b Sub-total								778,250.	0.	29,050.
c Total from continuation sheets to Part VII, Section A								10,072,714.	933,905.	2,482,860.
d Total (add lines 1b and 1c)								10,850,964.	933,905.	2,511,910.

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 **379**

	Yes	No
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	3 X	
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	4 X	
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	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
CROWELL & MORING LLP, 1001 PENNSYLVANIA AVE NW, WASHINGTON, DC 20004	LEGAL SERVICES	1,207,524.
ASGK PUBLIC STRATEGIES LLC, 222 W MERCH MART PLZ, STE 2400, CHICAGO, IL 60654	CONSULTING SERVICES	977,682.
HUGE LLC 45 MAIN ST, STE 200, BROOKLYN, NY 11201	IT RELATED SERVICES	621,484.
CORESITE LP 1050 17TH ST, STE 8, DENVER, CO 80266	COMPUTER SERVICES	591,530.
HUNTON & WILLIAMS LLP 1900 K STREET NW, WASHINGTON, DC 20006	LEGAL SERVICES	586,859.

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 **39**

SEE PART VII, SECTION A CONTINUATION SHEETS

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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 (list any hours for related organizations below line)	(C) Position (check all that apply)						(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			
(27) THOMAS MCQUISTON DIRECTOR	8.00	X					34,750.	0.	0.	
(28) GALEN MILLS DIRECTOR	6.00	X					17,200.	0.	12,050.	
(29) JESSICA NELSON DIRECTOR	7.00	X					18,250.	0.	0.	
(30) WILLIAM NOEL DIRECTOR	6.00	X					18,000.	0.	0.	
(31) CURTIS NOLAN DIRECTOR	6.60	X					25,200.	0.	0.	
(32) RANDY PAPPENHAUSEN DIRECTOR	6.00	X					17,350.	0.	0.	
(33) MICHAEL PETERSON DIRECTOR	4.00	X					11,700.	0.	0.	
(34) GARY POTTER DIRECTOR	5.00	X					23,650.	0.	0.	
(35) TOM PURKEY DIRECTOR	5.00	X					17,100.	0.	0.	
(36) REUBEN RITTHALER DIRECTOR	5.00	X					38,150.	0.	0.	
(37) LANNY RODGERS DIRECTOR	7.00	X					12,450.	0.	18,000.	
(38) KEITH ROSS DIRECTOR	6.00	X					22,150.	0.	0.	
(39) RONALD SCHWARTAU DIRECTOR	8.60	X					23,075.	0.	11,875.	
(40) CHARLES SHORT DIRECTOR	4.60	X					32,900.	0.	0.	
(41) KELLEY SMITH DIRECTOR	5.00	X					22,750.	0.	0.	
(42) TIMOTHY SMITH DIRECTOR	6.00	X					0.	0.	0.	
(43) DAVID SPRADLIN DIRECTOR	6.00	X					23,650.	0.	0.	
(44) STEVEN WALTER DIRECTOR	9.00	X					33,100.	0.	0.	
(45) GREG WHITE DIRECTOR	7.00	X					26,350.	0.	0.	
(46) MICHAEL WILLIAMS DIRECTOR	3.00	X					17,100.	0.	0.	
Total to Part VII, Section A, line 1c										

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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 (list any hours for related organizations below line)	(C) Position (check all that apply)						(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			
(47) BRYAN WOLFE DIRECTOR	20.60 0.40	X						30,100.	0.	0.
(48) JEFFREY CONNOR INTERIM CEO AND COO	51.80 1.20			X				511,592.	0.	76,415.
(49) VENEICIA LOCKHART ASST TREAS; SR. VP, FINANCE	45.80 1.20			X				355,441.	0.	191,148.
(50) JIM MATHESON CHIEF EXECUTIVE OFFICER	45.00 1.00			X				580,647.	0.	18,333.
(51) JAMES BAUSELL SR. VP, COMMUNICATIONS	55.00				X			453,980.	0.	32,227.
(52) PETER BAXTER SR. VP, INSURANCE & FINANCIAL SERVIC	58.00				X			529,529.	0.	180,435.
(53) MARC BRESLAW EXEC DIRECTOR, INT'L FOUNDATION	1.00 47.00				X			201,283.	0.	31,027.
(54) KIRK JOHNSON SR. VP, GOVERNMENT RELATIONS	61.00				X			365,996.	0.	127,984.
(55) MARTIN LOWERY EXEC. VP, MEMBER & ASSOC. RELATIONS	40.00				X			585,994.	0.	110,993.
(56) MARY MCLAURY COO, TOUCHSTONE ENERGY	42.00				X			247,966.	0.	91,611.
(57) RICHARD MEYER SR. VP, GENERAL COUNSEL	45.00				X			356,332.	0.	131,833.
(58) MARY PAT PARIS VP, ADMINISTRATION	45.00				X			222,714.	0.	73,189.
(59) MICHELLE RINN SR. VP, HUMAN RESOURCES	47.00				X			167,320.	0.	61,418.
(60) SHAARA ROMAN SR. VP, HUMAN RESOURCES	41.00				X			222,990.	0.	60,988.
(61) DANIELLE SIEVERLING CHIEF RISK AND COMPLIANCE OFFICER	53.00				X			304,804.	0.	79,311.
(62) JIM SPIERS VP, BUSINESS AND TECH. STRATEGIES	40.00				X			358,958.	0.	86,854.
(63) TOM STANGROOM SR. VP & CIO	49.00				X			410,587.	0.	194,722.
(64) TRACEY STEINER SR. VP, EDUCATION & TRAINING	51.00				X			290,977.	0.	139,745.
(65) ROBERT DOUGAN SR. DIRECTOR, RETIREMENT PROJECTS	41.00					X		363,394.	0.	110,844.
(66) PATRICIA FENZEL SR. PRINCIPAL, IT PROJECT MANAGER	43.00					X		336,188.	0.	77,224.
Total to Part VII, Section A, line 1c										

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Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	2,222,312.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			2,222,312.			
Program Service Revenue	2 a REIMBURSED COSTS	Business Code	524292	103,742,645.	103,742,645.		
	b MEMBERSHIP DUES		900099	31,513,567.	31,513,567.		
	c TRAINING & PROFESSIONAL SERVICES		541900	9,958,279.	6,619,758.	3,338,521.	
	d ADVERTISING INCOME		511120	1,882,571.		1,882,571.	
	e SUBSCRIPTION INCOME		511120	1,083,121.	1,083,121.		
	f All other program service revenue		900099	12,142,109.	10,965,134.	1,176,975.	
	g Total. Add lines 2a-2f			160,322,292.			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			178,981.	178,981.	
4 Income from investment of tax-exempt bond proceeds							
5 Royalties				752,217.	88,139.	664,078.	
6 a Gross rents		(i) Real					
		(ii) Personal					
		b Less: rental expenses		13,211,145.			
		c Rental income or (loss)		7,335,452.			
d Net rental income or (loss)				5,875,693.	5,875,693.		
7 a Gross amount from sales of assets other than inventory		(i) Securities					
		(ii) Other					
		b Less: cost or other basis and sales expenses					
		c Gain or (loss)					
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18		a					
		b Less: direct expenses	b				
	c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
11 a MEETINGS & CONFERENCES		541900	9,442,682.	9,442,682.			
b							
c							
d All other revenue							
e Total. Add lines 11a-11d			9,442,682.				
12 Total revenue. See instructions.			178,794,177.	169,509,720.	7,062,145.	0.	

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COOPERATIVE ASSOCIATION**

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.				
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	10,881,025.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	69,367,579.			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	18,162,830.			
9 Other employee benefits	10,266,208.			
10 Payroll taxes	5,272,887.			
11 Fees for services (non-employees):				
a Management	184,065.			
b Legal	2,414,868.			
c Accounting	131,541.			
d Lobbying	572,289.			
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	14,896,631.			
12 Advertising and promotion	481,245.			
13 Office expenses	3,862,991.			
14 Information technology	1,796,949.			
15 Royalties				
16 Occupancy	2,368,770.			
17 Travel	6,010,935.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	6,167,680.			
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,288,862.			
23 Insurance	445,295.			
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>UBIT</u>	486,512.			
b <u>EQUIPMENT MAINTENANCE</u>	3,700,609.			
c <u>CONTRACTED PERSONNEL</u>	1,846,835.			
d <u>ELECTRONIC SUBSCRIPTION</u>	1,562,414.			
e All other expenses	13,762,949.			
25 Total functional expenses. Add lines 1 through 24e	180,931,969.			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	22,059,388.	2	16,863,976.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	31,602,376.	4	35,027,613.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	41,467.	8	39,673.
	9	Prepaid expenses and deferred charges	4,428,292.	9	5,520,917.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 157,967,244.		
	b	Less: accumulated depreciation	10b 69,756,915.		
	11	Investments - publicly traded securities	87,740,386.	10c	88,210,329.
	12	Investments - other securities. See Part IV, line 11	143,762.	11	16,120,992.
	13	Investments - program-related. See Part IV, line 11	21,022,312.	12	13,334,179.
	14	Intangible assets		13	
	15	Other assets. See Part IV, line 11		14	
16	Total assets. Add lines 1 through 15 (must equal line 34)	12,666,666.	15	12,490,470.	
		179,704,649.	16	187,608,149.	
Liabilities	17	Accounts payable and accrued expenses	21,982,661.	17	19,795,839.
	18	Grants payable		18	
	19	Deferred revenue	36,822,690.	19	44,559,734.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	370,139.	21	355,630.
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	33,270,737.	26	33,767,033.
		92,446,227.	26	98,478,236.	
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds	0.	30	0.
	31	Paid-in or capital surplus, or land, building, or equipment fund	0.	31	0.
	32	Retained earnings, endowment, accumulated income, or other funds	87,258,422.	32	89,129,913.
33	Total net assets or fund balances	87,258,422.	33	89,129,913.	
34	Total liabilities and net assets/fund balances	179,704,649.	34	187,608,149.	

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	178,794,177.
2	Total expenses (must equal Part IX, column (A), line 25)	2	180,931,969.
3	Revenue less expenses. Subtract line 2 from line 1	3	-2,137,792.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	87,258,422.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	4,009,283.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	89,129,913.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	

Form 990 (2016)

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527

- ▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
- ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization **NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION** Employer identification number **53-0116145**

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political campaign activity expenditures ▶ \$ **50,800.**

3 Volunteer hours for political campaign activities

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No

4a Was a correction made? Yes No

b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ **50,800.**

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ **50,800.**

4 Did the filing organization file Form 1120-POL for this year? Yes No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
DEMOCRATIC PARTY OF VIRGINIA	RICHMOND, VA 23219	54-0495203	15,000.	0.
DEMOCRATIC PARTY OF NEW MEXICO	ALBUQUERQUE, NM 87108	85-0032555	10,800.	0.
REPUBLICAN PARTY OF FLORIDA	TALLAHASSEE, FL 32301	59-0683241	15,000.	0.
FLORIDA DEMOCRATIC PARTY	TALLAHASSEE, FL 32301	59-0772903	10,000.	0.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2016

LHA

SEE PART IV FOR CONTINUATION

632041 11-10-16

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Schedule C (Form 990 or 990-EZ) 2016

53-0116145 Page 2

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
 B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?														
		<input type="checkbox"/> Yes	<input type="checkbox"/> No												

4-Year Averaging Period Under section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2016

NATIONAL RURAL ELECTRIC

Schedule C (Form 990 or 990-EZ) 2016 COOPERATIVE ASSOCIATION

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?		X
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?		X
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?		X

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	30,513,567.
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	2,750,000.
b Carryover from last year	2b	
c Total	2c	2,750,000.
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	4,096,764.
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	-1,346,764.

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

PART I-A, LINE 1:

CONTRIBUTIONS TO STATE POLITICAL PARTY COMMITTEES

PART I-C CONTINUATION FOR INCOMPLETE NAME/ADDRESS INFORMATION:

DEMOCRATIC PARTY OF VIRGINIA

919 EAST MAIN STREET, SUITE 2050 RICHMOND, VA 23219

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Schedule C (Form 990 or 990-EZ) 2016

Part IV Supplemental Information (continued)

DEMOCRATIC PARTY OF NEW MEXICO

322 ADAMS ST. SE ALBUQUERQUE, NM 87108

REPUBLICAN PARTY OF FLORIDA

420 E JEFFERSON STREET TALLAHASSEE, FL 32301

FLORIDA DEMOCRATIC PARTY

214 S. BRONOUGH ST. TALLAHASSEE, FL 32301

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

Employer identification number 53-0116145

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, aggregate value of grants, and questions about donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year.
4 Number of states where property subject to conservation easement is located.
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year.
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year.
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

- 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment _____ %
 - c Temporarily restricted endowment _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		11,916,966.		11,916,966.
b Buildings		88,282,173.	32,555,760.	55,726,413.
c Leasehold improvements		19,131,564.	10,731,663.	8,399,901.
d Equipment		38,636,541.	26,469,492.	12,167,049.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				88,210,329.

**NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION**

Schedule D (Form 990) 2016

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Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests	12,311,637.	COST
(3) Other		
(A) CAPITAL TERM CERTIFICATES	827,307.	COST
(B) COLLATERAL CERTIFICATES		
(C) OF DEPOSIT	195,235.	COST
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	13,334,179.	

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) PATRONAGE CAPITAL CERTIFICATES	523,495.
(2) DEFERRED COMPENSATION FUND (EMPLOYEES)	10,941,880.
(3) TENANT ESCROW	355,630.
(4) EMPLOYEE AND EXECUTIVE OPTION PURCHASE PLAN	669,465.
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	12,490,470.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) POST RETIREMENT BENEFITS OTHER	
(3) THAN PENSIONS	19,172,495.
(4) DEF COMP FUND (EMPLOYEES)	10,941,881.
(5) EMPLOYEE & EXEC OPT PLAN	662,989.
(6) COOPERATIVE RESEARCH NETWORK FUND	2,868,237.
(7) OTHER RESTRICTED FUNDS	121,431.
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	33,767,033.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Schedule D (Form 990) 2016

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	226,533,687.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	47,739,510.
e	Add lines 2a through 2d	2e	47,739,510.
3	Subtract line 2e from line 1	3	178,794,177.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	178,794,177.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	224,962,196.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	44,030,227.
e	Add lines 2a through 2d	2e	44,030,227.
3	Subtract line 2e from line 1	3	180,931,969.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	180,931,969.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART IV, LINE 2B:

SECURITY DEPOSITS/ESCROW AMOUNTS ARE HELD FOR BUILDING TENANTS

PART X, LINE 2:

NRECA ADOPTED THE PROVISIONS OF FASB INTERPRETATION NO. 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, DURING THE YEAR ENDING DECEMBER 31, 2007. FOR THE PERIOD FROM NRECA'S INCEPTION TO DECEMBER 31, 2016, NO UNRECOGNIZED TAX PROVISION OR BENEFIT EXISTS.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

REV FROM SUBS NOT INCLUDED IN FORM 990 LESS TENANT EXPENSES

ON PART VII, 6B 47,739,510.

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Part XIII Supplemental Information *(continued)*

PART XII, LINE 2D - OTHER ADJUSTMENTS:

EXP FROM SUBS NOT INCLUDED IN 990 PLUS TENANT EXP PART

VIII, LINE 6B 44,030,227.

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Schedule J (Form 990) 2016

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Page 2

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JEFFREY CONNOR INTERIM CEO AND COO	(i) 379,754. (ii) 0. (iii) 0.	200.	131,638.	40,349.	36,066.	588,007.	0.
(2) VENEICIA LOCKHART ASST TREAS; SR. VP, FINANCE	(i) 319,316. (ii) 0. (iii) 0.	30,700.	5,425.	157,991.	33,157.	546,589.	0.
(3) JIM MATHESON CHIEF EXECUTIVE OFFICER	(i) 478,166. (ii) 0. (iii) 0.	100,200.	2,281.	2,323.	16,010.	598,980.	0.
(4) JAMES BAUSSELL SR. VP, COMMUNICATIONS	(i) 296,765. (ii) 0. (iii) 0.	0.	157,215.	13,566.	18,661.	486,207.	0.
(5) PETER BAXTER SR. VP, INSURANCE & FINANCIAL SERVICE	(i) 468,799. (ii) 0. (iii) 0.	45,200.	15,530.	144,531.	35,904.	709,964.	0.
(6) MARC BRESLAW EXEC DIRECTOR, INT'L FOUNDATION	(i) 150,219. (ii) 0. (iii) 0.	0.	51,064.	9,732.	21,295.	232,310.	0.
(7) KIRK JOHNSON SR. VP, GOVERNMENT RELATIONS	(i) 359,176. (ii) 0. (iii) 0.	200.	6,620.	98,832.	29,152.	493,980.	0.
(8) MARTIN LOWERY EXEC. VP, MEMBER & ASSOC. RELATIONS	(i) 496,268. (ii) 0. (iii) 0.	200.	89,526.	81,094.	29,899.	696,987.	0.
(9) MARY MCLAURY COO, TOUCHSTONE ENERGY	(i) 244,253. (ii) 0. (iii) 0.	200.	3,513.	77,683.	13,928.	339,577.	0.
(10) RICHARD MEYER SR. VP, GENERAL COUNSEL	(i) 324,679. (ii) 0. (iii) 0.	200.	31,453.	91,384.	40,449.	488,165.	0.
(11) MARY PAT PARIS VP, ADMINISTRATION	(i) 214,148. (ii) 0. (iii) 0.	6,575.	1,991.	56,898.	16,291.	295,903.	0.
(12) MICHELLE RINN SR. VP, HUMAN RESOURCES	(i) 166,254. (ii) 0. (iii) 0.	200.	866.	40,064.	21,354.	228,738.	0.
(13) SHAARA ROMAN SR. VP, HUMAN RESOURCES	(i) 33,580. (ii) 0. (iii) 0.	0.	189,410.	59,740.	1,248.	283,978.	0.
(14) DANIELLE SIEVERLING CHIEF RISK AND COMPLIANCE OFFICER	(i) 298,125. (ii) 0. (iii) 0.	1,000.	5,679.	72,628.	6,683.	384,115.	0.
(15) JIM SPIERS VP, BUSINESS AND TECH. STRATEGIES	(i) 307,521. (ii) 0. (iii) 0.	17,160.	34,277.	59,247.	27,607.	445,812.	0.
(16) TOM STANGROOM SR. VP & CIO	(i) 398,672. (ii) 0. (iii) 0.	200.	11,715.	159,320.	35,402.	605,309.	0.

Schedule J (Form 990) 2016

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(17) TRACEY STEINER	(i) 285,455.	(ii) 200.	(iii) 5,322.	134,039.	5,706.	430,722.	0.
SR. VP, EDUCATION & TRAINING	(ii) 0.	0.	0.	0.	0.	0.	0.
(18) ROBERT DOUGAN	(i) 217,230.	(ii) 200.	(iii) 145,964.	82,222.	28,622.	474,238.	0.
SR. DIRECTOR, RETIREMENT PROJECTS	(ii) 0.	0.	0.	0.	0.	0.	0.
(19) PATRICIA FENZEL	(i) 194,571.	(ii) 200.	(iii) 141,417.	61,239.	15,985.	413,412.	0.
SR. PRINCIPAL, IT PROJECT MANAGER	(ii) 0.	0.	0.	0.	0.	0.	0.
(20) STEVE SANKER	(i) 323,132.	(ii) 200.	(iii) 83,864.	51,616.	28,022.	486,834.	0.
VP, IF&S RELATIONSHIP MGT.	(ii) 0.	0.	0.	0.	0.	0.	0.
(21) MONICA SCHMIDT	(i) 283,834.	(ii) 350.	(iii) 3,686.	102,981.	24,523.	415,374.	0.
VP, NATIONAL CONSULTING GROUP	(ii) 0.	0.	0.	0.	0.	0.	0.
(22) JOHN SZCZUR	(i) 349,095.	(ii) 265,475.	(iii) 82,582.	108,853.	35,032.	841,037.	0.
VP, INVESTMENT STRAT. & PERF.	(ii) 0.	0.	0.	0.	0.	0.	0.
(23) JO ANN EMERSON	(i) 7,652.	(ii) 0.	(iii) 1,223,374.	67,239.	2,755.	1,301,020.	0.
FORMER CHIEF EXECUTIVE OFF	(ii) 0.	0.	0.	0.	0.	0.	0.
(24) PATRICK GIOFFRE	(i) 0.	(ii) 0.	(iii) 117,803.	0.	0.	117,803.	0.
FORMER EXEC VP, INTERNAL SERVICES	(ii) 0.	0.	0.	0.	0.	0.	0.
(25) STEPHEN KASZYNSKI	(i) 0.	(ii) 0.	(iii) 0.	0.	0.	0.	0.
FORMER CEO, HOMESTEAD FUNDS	(ii) 398,830.	(iii) 523,181.	11,894.	116,287.	27,326.	1,077,518.	0.
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Schedule J (Form 990) 2016

53-0116145

Page 3

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 1A:

TRAVEL FOR COMPANIONS - ACCORDING TO NRECA BOARD POLICY, THE SPOUSES OF THE
PRESIDENT AND CEO CAN ACCOMPANY THEM ON A TRIP WHEREVER THERE WILL BE
OFFICIAL FUNCTIONS FOR WHICH SPOUSES ARE RESPONSIBLE FOR ATTENDING.

TAX IDENTIFICATION AND GROSS UP PAYMENTS: NRECA GROSSES UP PAYMENTS MADE TO
STAFF UNDER THE EXECUTIVE 401(K) BONUS PLAN AND ON ELIGIBLE RELOCATION
EXPENSES.

PART I, LINES 4A-C:

PART I, LINE 4A: THE FOLLOWING CURRENT AND FORMER EMPLOYEES RECEIVED A
SEVERANCE PAYMENT. THESE AMOUNTS ARE INCLUDED AND REPORTED IN PART II,
COLUMN B(III): MARC BRESLAW (\$47,000); JO ANN EMERSON (\$1,167,000); SHAARA
ROMAN (\$188,983)

PART I, LINE 4B: THE FOLLOWING CURRENT AND FORMER EMPLOYEES RECEIVED
PAYMENTS FROM AN EXECUTIVE NONQUALIFIED RETIREMENT PLAN. THESE AMOUNTS ARE
INCLUDED AND REPORTED IN PART II, COLUMN B(III): JAMES BAUSELL (\$150,553);
ROBERT DOUGAN (\$142,736); PATRICIA FENZEL (\$138,660); MARTIN LOWERY

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

(\$61,744); RICHARD MEYER (\$18,489); STEVE SANKER (\$76,221); JIM SPIERS
(\$27,220); JOHN SZCZUR (\$75,000)

PART I, LINE 4C: THE FOLLOWING FORMER EMPLOYEE RECEIVED A PAYMENT ON AN
EQUITY-BASED COMPENSATION ARRANGEMENT. THESE AMOUNTS ARE INCLUDED AND
REPORTED IN PART II, COLUMN B(III): PATRICK GIOFFRE (\$117,803)

NATIONAL RURAL ELECTRIC

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
COOPERATING ENERGY SERVICE	FOR PROFIT SUBSIDIA	275,501.	ADMINISTRAT		X
RE ADVISERS CORPORATION AN	FOR PROFIT SUBSIDIA	16,420,055.	ROYALTY PAY		X
COOPERATING BENEFIT ADMINI	FOR PROFIT SUBSIDIA	14,343,087.	ADMINISTRAT		X
ELECTRIC COOPERATIVE LIFE	FOR PROFIT SUBSIDIA	0.	ADMINISTRAT		X
NRECA UNITED	FOR PROFIT SUBSIDIA	25,746.	EXPENSE REI		X
COOPERATING INSURANCE SERV	FOR PROFIT SUBSIDIA	451,509.	ADMINISTRAT		X
ARKANSAS ELECTRIC COOPERAT	FOR PROFIT MEMBER O	865,753.	VARIOUS SER		X
BASIN ELECTRIC POWER COOPE	FOR PROFIT MEMBER O	920,166.	VARIOUS SER		X
KAMO POWER	FOR PROFIT MEMBER O	362,771.	VARIOUS SER		X
SHO-ME POWER	FOR PROFIT MEMBER O	226,473.	VARIOUS SER		X

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions).

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: COOPERATING ENERGY SERVICES

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT SUBSIDIARY-2 OFCS AND 1 KEY EE SERVE AS OFCS AND DIRS

(C) AMOUNT OF TRANSACTION \$ 275,501.

(D) DESCRIPTION OF TRANSACTION: ADMINISTRATIVE SERVICES AGREEMENT

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF INTERESTED PERSON:

RE ADVISERS CORPORATION AND RE INVESTMENT CORPORATION

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT SUBSIDIARY- 2 KEY EES AND 1 FRM OFC SERVE AS OFCS AND DIRS

(C) AMOUNT OF TRANSACTION \$ 16,420,055.

(D) DESCRIPTION OF TRANSACTION: ROYALTY PAYMENTS AND ADMISTRATIVE

SERVICES AGREEMENT

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: COOPERATING BENEFIT ADMINISTRATORS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT SUBSIDIARY-1 OFFICER AND 1 KEY EMPLOYEE SERVE AS DIRECTORS

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

(C) AMOUNT OF TRANSACTION \$ 14,343,087.

(D) DESCRIPTION OF TRANSACTION: ADMINISTRATIVE SERVICES AGREEMENT

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: ELECTRIC COOPERATIVE LIFE INSURANCE

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT SUBSIDIARY-1 OFFICER SERVES AS A DIRECTOR

(C) AMOUNT OF TRANSACTION \$ -0-

(D) DESCRIPTION OF TRANSACTION: ADMINISTRATIVE SERVICES AGREEMENT

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: NRECA UNITED

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT SUBSIDIARY-2 OFFICERS AND 1 KEY EE SERVE AS OFCS AND DIRS

(C) AMOUNT OF TRANSACTION \$ 25,746.

(D) DESCRIPTION OF TRANSACTION: EXPENSE REIMBURSEMENT

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: COOPERATING INSURANCE SERVICES

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT SUBSIDIARY-1 OFFICER SERVES AS A DIRECTOR

(C) AMOUNT OF TRANSACTION \$ 451,509.

(D) DESCRIPTION OF TRANSACTION: ADMINISTRATIVE SERVICES AGREEMENT

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: ARKANSAS ELECTRIC COOPERATIVE CORPORATION

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT MEMBER OF NRECA WITH SHARED DIRECTOR MEL COLEMAN

Part V Supplemental information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

(C) AMOUNT OF TRANSACTION \$ 865,753.

(D) DESCRIPTION OF TRANSACTION: VARIOUS SERVICES PROVIDED TO MEMBER

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: BASIN ELECTRIC POWER COOPERATIVE

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT MEMBER OF NRECA WITH SHARED DIRECTOR REUBEN RITTHALER

(C) AMOUNT OF TRANSACTION \$ 920,166.

(D) DESCRIPTION OF TRANSACTION: VARIOUS SERVICES PROVIDED TO MEMBER

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: KAMO POWER

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT MEMBER OF NRECA WITH SHARED DIRECTOR TIMOTHY SMITH

(C) AMOUNT OF TRANSACTION \$ 362,771.

(D) DESCRIPTION OF TRANSACTION: VARIOUS SERVICES PROVIDED TO MEMBER

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: SHO-ME POWER

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT MEMBER OF NRECA WITH SHARED DIRECTOR CHRISTOPHER HAMON

(C) AMOUNT OF TRANSACTION \$ 226,473.

(D) DESCRIPTION OF TRANSACTION: VARIOUS SERVICES PROVIDED TO MEMBER

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: WESTERN FARMERS EC

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FOR PROFIT MEMBERSHIP WITH SHARED DIRECTOR TIMOTHY SMITH

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Schedule L (Form 990 or 990-EZ)

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Part V Supplemental information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

(C) AMOUNT OF TRANSACTION \$ 575,121.

(D) DESCRIPTION OF TRANSACTION: VARIOUS SERVICES PROVIDED TO MEMBER

(E) SHARING OF ORGANIZATION REVENUES? = NO

SCHEDULE L, PART IV RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION

(A) COOPERATING ENERGY SERVICES

(B) 2 OFFICERS (JEFFREY CONNOR AND VENEICIA LOCKHART) AND 1 KEY
EMPLOYEE (MARTIN LOWERY) SERVE AS OFFICERS AND DIRECTORS.

(A) RE ADVISERS CORPORATION AND RE INVESTMENT CORPORATION

(B) 2 KEY EMPLOYEES (DANIELLE SIEVERLING AND MARTIN LOWERY) AND 1
FORMER OFFICER (STEPHEN KASZYNSKI) SERVE AS OFFICERS AND DIRECTORS

(A) COOPERATING BENEFIT ADMINISTRATORS

(B) 1 OFFICER (VENEICIA LOCKHART) AND 1 KEY EMPLOYEE (PETER BAXTER)
SERVE AS DIRECTORS.

(A) ELECTRIC COOPERATIVE LIFE INSURANCE COMPANY

(B) 1 OFFICER (VENEICIA LOCKHART) SERVES AS A DIRECTOR.

(A) NRECA UNITED

(B) 2 OFFICERS (JEFFREY CONNOR AND VENEICIA LOCKHART) AND 1 KEY
EMPLOYEE (MARTIN LOWERY) SERVE AS OFFICERS AND DIRECTORS.

(A) COOPERATING INSURANCE SERVICES

(B) 1 OFFICER (VENEICIA LOCKHART) SERVES AS A DIRECTOR.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public
Inspection

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Employer identification number
53-0116145

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

UTILITIES AND THE CONSUMERS THEY SERVE. NRECA HAS MORE THAN 900 VOTING MEMBERS, A MAJORITY OF WHICH ARE ELECTRIC COOPERATIVES THAT SERVE 42 MILLION CONSUMERS IN 47 STATES.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

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. NRECA'S MISSION IS TO PROMOTE, SUPPORT AND PROTECT THE COMMUNITY AND BUSINESS INTERESTS OF ELECTRIC COOPERATIVES.

FORM 990, PART VI, SECTION A, LINE 2:

BUSINESS RELATIONSHIPS EXIST BETWEEN SOME NRECA OFFICERS AND KEY EMPLOYEES WHO ALSO SERVE AS DIRECTORS OR OFFICERS OF THE FOLLOWING NRECA SUBSIDIARIES AND AFFILIATED ENTITIES: NRECA UNITED; COOPERATING ENERGY SERVICES; RE ADVISERS CORPORATION; RE INVESTMENT CORPORATION; COOPERATING BENEFIT ADMINISTRATORS; ELECTRIC COOPERATIVE LIFE INSURANCE COMPANY; AND COOPERATING INSURANCE SERVICES. REFER TO SCHEDULE L, PART V FOR IDENTIFIED PERSONS.

FORM 990, PART VI, SECTION A, LINE 6:

ALL NRECA VOTING MEMBERS MUST BE ENTITIES WHOSE OPERATIONS ARE CONSISTENT, AS DETERMINED BY THE BOARD OF DIRECTORS, WITH THE INTERNATIONAL COOPERATIVE ALLIANCE COOPERATIVE PRINCIPLES AND THE OBJECTIVES OF NRECA AND FALL INTO ONE OF THE FOLLOWING THREE CATEGORIES: (1) DISTRIBUTION (ELECTRIC

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2016)

632211 08-25-16

Name of the organization NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number 53-0116145
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DISTRIBUTION COOPERATIVES OR NONPROFIT ASSOCIATIONS, NONPROFIT CORPORATIONS, PUBLIC UTILITY DISTRICTS, OR GOVERNMENT CORPORATIONS OR AUTHORITIES LOCATED IN A STATE, TERRITORY, POSSESSION OR COMMONWEALTH OF THE U.S. AND PRIMARILY ENGAGED IN FURNISHING ELECTRICITY AT RETAIL TO THEIR CONSUMERS); (2) GENERATION AND TRANSMISSION (COOPERATIVES OR NONPROFIT ASSOCIATIONS, NONPROFIT CORPORATIONS, OR PUBLIC UTILITY DISTRICTS LOCATED IN A STATE, TERRITORY, POSSESSION OR COMMONWEALTH OF THE U.S. AND PRIMARILY ENGAGED IN THE MARKETING, GENERATION AND/OR TRANSMISSION OF WHOLESALE BULK ELECTRICITY FOR SALE TO OTHERS FOR THE PURPOSE OF RESALE); AND (3) SERVICE MEMBERS (ORGANIZATIONS NOT ACTUALLY ENGAGED IN THE MARKETING, GENERATION, TRANSMISSION OR DISTRIBUTION OF ELECTRICITY, BUT A SIGNIFICANT NUMBER OF WHOSE VOTING MEMBERS CONSIST OF NRECA DISTRIBUTION, OR GENERATION AND TRANSMISSION VOTING MEMBERS).

FORM 990, PART VI, SECTION A, LINE 7A:

THE NRECA BOARD OF DIRECTORS IS COMPOSED OF 47 PERSONS, ONE FROM EACH STATE WHERE THERE IS AN OPERATING ELECTRIC SYSTEM WITH MEMBERSHIP IN NRECA. DIRECTORS, EACH OF WHOM MUST BE A MEMBER, DIRECTOR, OFFICER, OR EMPLOYEE OF AN NRECA MEMBER SYSTEM, ARE ELECTED EVERY TWO YEARS BY THE MEMBER SYSTEMS IN EACH STATE. THEIR TERMS RUN FROM THE CLOSE OF EACH NRECA ANNUAL MEETING (USUALLY HELD IN MARCH) TO THE CLOSE OF THE ANNUAL MEETING TWO YEARS HENCE. THE NRECA PRESIDENT, VICE PRESIDENT, AND SECRETARY TREASURER ARE ELECTED EVERY TWO YEARS BY THE BOARD FROM AMONG ITS MEMBERS. THE CHIEF EXECUTIVE OFFICER IS ALSO SELECTED BY THE BOARD.

FORM 990, PART VI, SECTION A, LINE 7B:

NRECA VOTING MEMBERS ARE DESCRIBED IN THE SCHEDULE O, PART VI, SECTION A, LINE 6 DESCRIPTION. THE FOLLOWING GOVERNANCE DECISIONS REQUIRE THE APPROVAL

Name of the organization NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number 53-0116145
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OF NRECA VOTING MEMBERS: (1) ARTICLES OF INCORPORATION AMENDMENTS; (2) BYLAW ADOPTION, AMENDMENT, OR REPEAL, WHICH INCLUDES CHANGES TO THE METHODS OF CALCULATING THE DUES OF DISTRIBUTION MEMBERS, OF GENERATION AND TRANSMISSION MEMBERS, AND OF STATEWIDE MEMBERS; (3) EXPULSION OF NRECA MEMBERS; (4) REMOVAL OF A NRECA DIRECTOR IS SUBJECT TO THE APPROVAL OF NRECA VOTING MEMBER LOCATED IN THE STATE FROM WHICH THE DIRECTOR WAS ELECTED; (5) A SALE, LEASE, EXCHANGE, OR CERTAIN DISPOSITIONS OF ASSETS LEAVING THE ASSOCIATION WITHOUT A SIGNIFICANT CONTINUING BUSINESS ACTIVITY; (6) MERGER; (7) DOMESTICATION IN A FOREIGN JURISDICTION; AND (8) DISSOLUTION. EACH NRECA VOTING MEMBER HAS ONE VOTE.

FORM 990, PART VI, SECTION B, LINE 11B:

THE DIRECTOR OF CORPORATE ACCOUNTING AND SENIOR VP OF FINANCE REVIEW THE FORM 990 AND SUPPORTING WORK PAPERS IN DETAIL. THE FORM 990 IS THEN PROVIDED TO THE NRECA BOARD OF DIRECTORS THROUGH THEIR ELECTRONIC BOARD PORTAL FOR THEIR REVIEW AND COMMENTS IN ADVANCE OF THE RETURN BEING FILED.

FORM 990, PART VI, SECTION B, LINE 12C:

EACH KEY EMPLOYEE IS SUBJECT TO A CONFLICT OF INTEREST POLICY AND REQUIRED TO ANNUALLY COMPLETE AND SUBMIT A CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM TO THE SENIOR VP OF FINANCE WHO, WITH ASSISTANCE AS NEEDED FROM HUMAN RESOURCES AND/OR THE GENERAL COUNSEL, INVESTIGATES POTENTIAL OR ACTUAL CONFLICTS. THE CEO, OR HIS OR HER DESIGNEE, HAS FINAL AUTHORITY FOR DETERMINING WHETHER OR NOT A CONFLICT HAS OCCURRED. IF THE CEO IS IMPLICATED, THE BOARD'S ADMINISTRATIVE COMMITTEE IS THE FINAL AUTHORITY. IN ADDITION TO THE CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM, EACH KEY EMPLOYEE ANNUALLY SUBMITS A FORM 990 QUESTIONNAIRE TO THE SENIOR VP OF FINANCE. EACH DIRECTOR IS REQUIRED TO ANNUALLY COMPLETE AND SUBMIT A

Name of the organization NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	Employer identification number 53-0116145
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CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM. DIRECTOR FORMS DISCLOSING ANY MATERIAL FACT KNOWN TO THE DIRECTOR REGARDING ANY POTENTIAL OR ACTUAL VIOLATION OF THE POLICY ARE SUBMITTED TO THE OFFICE OF GENERAL COUNSEL, NRECA PRESIDENT, NRECA VICE PRESIDENT, AND NRECA SECRETARY-TREASURER. UPON REQUEST OF THE PRESIDENT, EXECUTIVE COMMITTEE, OR ANY FIVE DIRECTORS, THE BOARD DETERMINES WHETHER A DIRECTOR COMPLIES WITH THE POLICY. IN MAKING THIS DETERMINATION, THE BOARD NOTIFIES THE DIRECTOR, A COMMITTEE IS CREATED AND APPOINTED TO INVESTIGATE AND MAKE A RECOMMENDATION, THE DIRECTOR MAY COMMENT, AND THE DIRECTOR MAY BE REQUIRED TO BE ABSENT DURING CONSIDERATION. IF THE BOARD DETERMINES THAT A DIRECTOR FAILS TO COMPLY WITH THE POLICY, THEN, UNLESS THE BOARD DETERMINES OTHERWISE FOR GOOD CAUSE, OR THE DIRECTOR COMPLIES WITH THE POLICY WITHIN 30 DAYS, THE DIRECTOR IS DISQUALIFIED AND NO LONGER A DIRECTOR. IN ADDITION TO THE CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM, EACH DIRECTOR ANNUALLY COMPLETES AND SUBMITS A FORM 990 QUESTIONNAIRE.

FORM 990, PART VI, SECTION B, LINE 15:

LINE 15A (CEO COMPENSATION): THE CEO EVALUATION COMMITTEE OF THE BOARD IS RESPONSIBLE FOR MAKING RECOMMENDATIONS TO THE BOARD CONCERNING FORMAT AND METHODS TO PROPERLY EVALUATE THE PERFORMANCE OF THE CEO. AN OUTSIDE CONSULTANT (E.G., QUATT ASSOCIATES) REVIEWS INDEPENDENT COMPENSATION STUDIES ANNUALLY TO VERIFY THE CEO'S COMPENSATION IS WITHIN A COMPETITIVE RANGE FOR THE CEOS OF COMPARABLE ORGANIZATIONS AND PROVIDES THIS INFORMATION TO THE COMMITTEE. THE COMMITTEE REVIEWS COMPETITIVE SALARY SURVEY DATA PROVIDED BY THE OUTSIDE CONSULTANTS AND DEVELOPS A COMPENSATION RECOMMENDATION THAT IS PRESENTED TO THE BOARD. THE BOARD REVIEWS AND APPROVES THE CEO'S COMPENSATION ANNUALLY.

LINE 15B (OTHER OFFICERS/KEY EMPLOYEE COMPENSATION): NRECA'S HUMAN

Name of the organization NATIONAL RURAL ELECTRIC
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RESOURCES DEPARTMENT HAS A MARKET PAY TOOL THAT USES CURRENT PAY DATA FROM PURCHASED COMPENSATION STUDIES TO ANALYZE SALARIES FOR POSITIONS WITHIN THE ORGANIZATION. NRECA HAS WRITTEN POLICIES AND PROCEDURES GOVERNING ITS SALARY INCREASE PROCESS. THE SALARY INCREASE PROCESS IS INTENDED TO ENABLE MANAGERS TO MAKE RATIONAL DECISIONS CONCERNING SALARY ACTIONS WITHIN THE ASSOCIATION'S BUDGETING CONSTRAINTS. HOWEVER, IT DOES NOT GUARANTEE AN INCREASE TO ANY EMPLOYEE. THE SALARY PROCESS IS COMPRISED OF THE FOLLOWING STEPS: (1) APPROVAL OF NRECA'S SALARY BUDGET BY THE NRECA BOARD OF DIRECTORS; (2) COMPLETION OF WRITTEN ANNUAL PERFORMANCE SUMMARIES FOR EACH EMPLOYEE BY HIS/HER MANAGER; (3) RECOMMENDATION OF SALARY INCREASES OR LUMP SUM AWARDS FOR INDIVIDUAL EMPLOYEES BASED UPON PERFORMANCE/CONTRIBUTION; (4) ANALYSIS, REVIEW, AND APPROVAL OF SALARY INCREASE RECOMMENDATIONS BY HUMAN RESOURCES AND THE CHIEF EXECUTIVE OFFICER; AND (5) COMMUNICATION OF SALARY INCREASE DECISIONS TO STAFF.

FORM 990, PART VI, SECTION C, LINE 19:

THE NRECA ARTICLES OF INCORPORATION, BYLAWS AND AUDITED FINANCIAL STATEMENTS ARE AVAILABLE TO NRECA VOTING MEMBERS ON THE MEMBER-ONLY SECTION OF COOPERATIVE.COM, WHICH IS A WEBSITE FOR NRECA MEMBERS AND AFFILIATED ENTITIES. NRECA NOTIFIES VOTING MEMBERS WHEN THE AUDITED FINANCIAL STATEMENTS FOR THE PRECEDING FISCAL YEAR HAVE BEEN POSTED ON COOPERATIVE.COM. NRECA DISTRIBUTES A COPY OF ITS ANNUAL REPORT TO EACH NRECA VOTING MEMBER AND MAKES THE ANNUAL REPORT AVAILABLE TO THE PUBLIC ON ELECTRIC.COOP. NRECA WILL ALSO PROVIDE COPIES OF ITS FORM 990 TO THE GENERAL PUBLIC UPON REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

NET INCOME OF SUBSIDIARIES

4,009,283.

Name of the organization NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

Employer identification number 53-0116145

FORM 990, PART XII, LINE 2C:

THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR BUT IN 2016 THE BOARD ADOPTED POLICY AMENDMENTS TO CLARIFY AUDIT RESPONSIBILITIES FOR NRECA AND OTHER ORGANIZATIONS.

NATIONAL, RURAL, ELECTRIC
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Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	X	
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) NRECA INTERNATIONAL FOUNDATION	L	186,312	ACCOUNTING RECORDS
(2) NRECA INTERNATIONAL FOUNDATION	N	24,540	ACCOUNTING RECORDS
(3) NRECA INTERNATIONAL FOUNDATION	Q	454,313	ACCOUNTING RECORDS
(4) NRECA INTERNATIONAL	L	821,961	ACCOUNTING RECORDS
(5) NRECA INTERNATIONAL	N	159,516	ACCOUNTING RECORDS
(6) NRECA INTERNATIONAL	Q	11,247,584	ACCOUNTING RECORDS

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount Involved	(d) Method of determining amount involved
(7) NRECA WOOD QUALITY CONTROL INC	L	132,696.	ACCOUNTING RECORDS
(8) NRECA WOOD QUALITY CONTROL INC	O	465,356.	ACCOUNTING RECORDS
(9) NRECA WOOD QUALITY CONTROL INC	Q	1,344,312.	ACCOUNTING RECORDS
(10) COOPERATING INSURANCE SERVICES	Q	451,928.	ACCOUNTING RECORDS
(11) COOPERATING BENEFIT ADMINISTRATORS	L	4,748,317.	ACCOUNTING RECORDS
(12) COOPERATING BENEFIT ADMINISTRATORS	N	655,129.	ACCOUNTING RECORDS
(13) COOPERATING BENEFIT ADMINISTRATORS	O	6,647,021.	ACCOUNTING RECORDS
(14) COOPERATING BENEFIT ADMINISTRATORS	Q	2,292,620.	ACCOUNTING RECORDS
(15) COOPERATING ENERGY SERVICES	L	92,027.	ACCOUNTING RECORDS
(16) COOPERATING ENERGY SERVICES	O	70,153.	ACCOUNTING RECORDS
(17) COOPERATING ENERGY SERVICES	Q	113,321.	ACCOUNTING RECORDS
(18) RE INVESTMENT INC	L	307,282.	ACCOUNTING RECORDS
(19) RE INVESTMENT INC	Q	2,222,461.	ACCOUNTING RECORDS
(20) RE ADVISERS INC	A	664,238.	ACCOUNTING RECORDS
(21) RE ADVISERS INC	L	2,672,976.	ACCOUNTING RECORDS
(22) RE ADVISERS INC	N	334,200.	ACCOUNTING RECORDS
(23) RE ADVISERS INC	Q	10,218,898.	ACCOUNTING RECORDS
(24) GLENN ENGLISH FOUNDATION	Q	22,845.	ACCOUNTING RECORDS

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(8)	(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(9)	7NRECA UNITED	Q	25,746	ACCOUNTING RECORDS
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				
(16)				
(17)				
(18)				
(19)				
(20)				
(21)				
(22)				
(23)				
(24)				

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Part VII Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME OF RELATED ORGANIZATION:

ELECTRIC COOPERATIVE LIFE INSURANCE CO

DIRECT CONTROLLING ENTITY: NRECA

NAME OF RELATED ORGANIZATION:

COOPERATING BENEFIT ADMINISTRATORS

DIRECT CONTROLLING ENTITY: NRECA UNITED

NAME OF RELATED ORGANIZATION:

COOPERATING ENERGY SERVICES

DIRECT CONTROLLING ENTITY: NRECA UNITED

NAME OF RELATED ORGANIZATION:

RE INVESTMENT CORPORATION

DIRECT CONTROLLING ENTITY: NRECA UNITED

NAME OF RELATED ORGANIZATION:

RE ADVISERS CORPORATION

DIRECT CONTROLLING ENTITY: RE INVESTMENT INC

NAME OF RELATED ORGANIZATION:

NRECA UNITED INC

DIRECT CONTROLLING ENTITY: ELCO