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Return of Organization Exempt From Income Tax

2009

Open to Public
InspectionDepartment of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

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

A For the 2009 calendar year, or tax year beginning		Jan 1	, 2009, and ending	Dec 31	, 2009
<input type="checkbox"/> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		C Name of organization Petit Jean Electric Cooperative Corporation Doing Business As Number and street (or P.O. box if mail is not delivered to street address) PO Box 37 City or town, state or country, and ZIP + 4 Clinton, AR 72031		D Employer identification number 71 0139955 E Telephone number (501) 745-2493 G Gross receipts \$ 25,185,656	
		F Name and address of principal officer Bill Conine PO Box 37, Clinton, AR 72031		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ►	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (12) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
J Website: ► www.pjccc.com					
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: 1940		M State of legal domicile AR	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Electric distribution to consumers in rural area				
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.				
Revenue	3 Number of voting members of the governing body (Part VI, line 1a)	3	9		
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	9		
	5 Total number of employees (Part V, line 2a)	5	101		
	6 Total number of volunteers (estimate if necessary)	6	0		
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0		
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0		
	c Total revenue			Prior Year	Current Year
8 Contributions and grants (Part VII, line 3b)	8	0	2010	0	
9 Program service revenue (Part VIII, line 2g)	9	28,567,430		24,470,188	
10 Investment income (Part VIII, column (A), lines 3-4 and 7d)	10	769,976		693,457	
11 Other revenue (Part VIII, column (A), lines 5-6, 8d, 9c, 10c, and 11e)	11	13,977		9,689	
12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	12	29,351,383		25,173,334	
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	13	0		0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	14	0		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	15	417,166		550,572
	16a Professional fundraising fees (Part IX, column (A), line 11e)	16a	0		0
	b Total fundraising expenses (Part IX, column (D), line 25) ►	b	26,418,737		23,778,460
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	17	26,835,903		24,329,032
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	18	2,5,15,480		844,302
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	19	Beginning of Current Year	End of Year	
	20 Total assets (Part X, line 16)	20	78,955,796	76,774,979	
	21 Total liabilities (Part X, line 26)	21	49,573,740	47,731,945	
	22 Net assets or fund balances. Subtract line 21 from line 20	22	29,382,056	29,043,034	

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

Sid Henin
 Signature of officer
Sid Henin President
 Type or print name and title

4/22/10
 DatePaid
Preparer's
Use Only

Preparer's signature ► Date Check if self-employed ► Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ► EIN ► Phone no ► ()

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2009)

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Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

Provide electricity to consumers in a rural area

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

4a (Code:) (Expenses \$ including grants of \$) (Revenue \$)

Utility System Programs: Sale of electricity to member consumers in a rural area; Average of 19,576 services were provided electric power.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

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

4e Total program service expenses ►

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

5 **Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

- Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.
- 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? If "Yes," complete Schedule D, Part VII.
- 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? If "Yes," complete Schedule D, Part VIII.
- 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? If "Yes," complete Schedule D, Part IX.
- Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.
- 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? If "Yes," complete Schedule D, Part X.

12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.

12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional.

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

 b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III

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? If "Yes," complete Schedule G, Part I

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

	Yes	No
1	✓	
2	✓	
3	✓	
4		
5		
6	✓	
7	✓	
8	✓	
9	✓	
10	✓	
11	✓	
12	✓	
12A	✓	
13	✓	
14a	✓	
14b	✓	
15	✓	
16	✓	
17	✓	
18	✓	
19	✓	
20	✓	

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II.	21	✓
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	✓
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? If "Yes," complete Schedule J	23	✓
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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	✓
24b		24b	
24c		24c	
24d		24d	
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	
25b		25b	
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	✓
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):		
28a	a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	✓
28b	b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	✓
28c	c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	✓
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	✓
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? If "Yes," complete Schedule R, Part I	33	✓
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	✓
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	✓
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	
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? If "Yes," complete Schedule R, Part VI	37	✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	38	✓

Part V Statements Regarding Other IRS Filings and Tax Compliance

	Yes	No
1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	23
1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓
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	2a	101
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)</i>	2b	✓
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	✓
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	
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)?	4a	✓
b If "Yes," enter the name of the foreign country: ► See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	5a	✓
5b	5b	✓
5c	5c	
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?	6a	✓
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).	7a	
a 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	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d If "Yes," indicate the number of Forms 8282 filed during the year	7e	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7h	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	8	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a	
9 Sponsoring organizations maintaining donor advised funds.	9b	
a Did the organization make any taxable distributions under section 4966?	10a	
b Did the organization make a distribution to a donor, donor advisor, or related person?	10b	
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12.	11a	24,382,771
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	11b	727,095
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders	12a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	12b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		

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.

Section A. Governing Body and Management

1a Enter the number of voting members of the governing body **1a** **9**

b Enter the number of voting members that are independent **1b** **9**

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? **2** **✓**

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? **3** **✓**

4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? **4** **✓**

5 Did the organization become aware during the year of a material diversion of the organization's assets? **5** **✓**

6 Does the organization have members or stockholders? **6** **✓**

7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? **7a** **✓**

b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? **7b** **✓**

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: **8a** **✓**

a The governing body? **8b** **✓**

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 **9a** **✓**

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

10a Does the organization have local chapters, branches, or affiliates? **10a** **✓**

b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? **10b**

11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? **11** **✓**

11A Describe in Schedule O the process, if any, used by the organization to review this Form 990. **12a** **✓**

12a Does the organization have a written conflict of interest policy? If "No," go to line 13 **12b** **✓**

b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? **12c** **✓**

c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done **13** **✓**

14 Does the organization have a written whistleblower policy? **14** **✓**

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? **15a** **✓**

a The organization's CEO, Executive Director, or top management official **15b** **✓**

b Other officers or key employees of the organization **16a** **✓**

If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.) **16b**

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? **16a** **✓**

b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken 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 ► **none (not required by state of Arkansas)**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

Own website Another's website Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **Bill Conine, CEO, 270 Quality Dr, Clinton, AR 72031, 501-745-2493**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors
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. Use Schedule J-2 if additional space is needed.

- 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. 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 the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(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	Former highest compensated employee			
Darrell Allen Board Member	3	✓					19,623	0	0
Bill Derickson Board Member	3	✓					17,769	0	0
Terry Kirkendoll Board Member	5	✓					17,692	0	0
James Story Board Member	3	✓					11,042	0	0
Fred Herman President	6	✓		✓			20,373	0	0
H Donnie Collins Secretary-Treasurer	12	✓		✓			17,873	0	0
Jerel Brown Board Member	9	✓					18,623	0	0
A Charles Wood Vice-President	8	✓		✓			18,373	0	0
Carrol Bradford Board Member	3.5	✓					6,474	0	0
Meredith Presley Board Member	6	✓					7,332	0	0
J David Fugitt CEO/Gen Manager	45			✓			161,471	0	94,801
Bill Conine CEO / General Manager	45			✓			52,317	0	53,455
Georgia Pelfer Manager of Finance & Accounting	40			✓			66,340	0	30,752
Sherry Bettis Manager of Finance & Accounting	40			✓			37,910	0	25,537

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

1b Total

473,212

1

204,545

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ► 1

3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual.

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

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.

(A) Name and business address	(B) Description of services	(C) Compensation
Arkansas Electric Coop. Inc., POB 194208, Little Rock, AR 72219	elec constructn, ROW clrg	1,369,990
C & L Electric Coop. Corp., POB 39, Star City, AR 71667	storm recov.-const/ROW	585,002
R & R Powerline Construction, POB 246, Sayre, OK 73662	storm recov.-const/ROW	702,569
H & H Line Services Inc., 3810 Hwy 41 Ste C, Selma, AL 36701	storm recov.-const/ROW	665,738
Sam Houston Electric, POB 1121, Livingston, TX 77351	storm recov.-const/ROW	274,070
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ► 11		

Part VIII Statement of Revenue

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) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	550,572			
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	2,292,516			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,658,201			
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Cost of Purchased Power	12,765,253			
b Distribution Expense-Operations	997,140			
c Distribution Expense-Maintenance	2,204,975			
d Consumer Accts & Customer Service	1,463,196			
e Administrative & General	894,246			
f All other expenses	502,933			
25 Total functional expenses. Add lines 1 through 24f	24,329,032			
26 Joint costs. Check here ► <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	411,240	1	1,007,593
	2 Savings and temporary cash investments	6,915,055	2	3,270,064
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	2,769,132	4	2,500,810
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			
		0	5	0
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L			
		0	6	0
	7 Notes and loans receivable, net		0	7
	8 Inventories for sale or use	438,036	8	435,871
	9 Prepaid expenses and deferred charges	113,410	9	119,319
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 85,098,855		
	b Less: accumulated depreciation	10b 27,303,229	10c	56,695,066 57,795,626
	11 Investments—publicly traded securities		0	11 0
	12 Investments—other securities. See Part IV, line 11	9,955	12	9,283
	13 Investments—program-related. See Part IV, line 11	11,603,902	13	11,636,413
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	0	15	0
	16 Total assets. Add lines 1 through 15 (must equal line 34)	78,955,796	16	76,774,979
Liabilities	17 Accounts payable and accrued expenses	8,655,184	17	9,528,282
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			
		0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	40,695,598	23	38,012,654
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities. Complete Part X of Schedule D	222,958	25	191,009
	26 Total liabilities. Add lines 17 through 25	49,573,740	26	47,731,945
Net Assets or Fund Balances	Organizations that follow SFAS 117, 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, check here ► <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	29,089,656	30	28,750,324
	31 Paid-in or capital surplus, or land, building, or equipment fund	292,400	31	292,710
	32 Retained earnings, endowment, accumulated income, or other funds	0	32	0
	33 Total net assets or fund balances	29,382,056	33	29,043,034
	34 Total liabilities and net assets/fund balances	78,955,796	34	76,774,979

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990: Cash Accrual 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? . . .
 b Were the organization's financial statements audited by an independent accountant? . . .
 c 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.
 d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis

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? . . .
 b 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.

	Yes	No
2a	✓	
2b	✓	
2c	✓	
3a	✓	
3b	✓	

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009Open to Public
Inspection

Name of the organization

Petit Jean Electric Cooperative Corporation

Employer identification number

71 0139955

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).	<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure) <input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure
	<input type="checkbox"/> Preservation of open space
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.	
	• Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d
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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►	
7 Amount of expenses incurred in monitoring, inspecting, 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)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIV, 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" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, 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 XIV, the text of the footnote to its financial statements that describes these items.
b If the organization elected, as permitted under SFAS 116, 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:
(i) Revenues included in Form 990, Part VIII, line 1 ► \$
(ii) Assets included in Form 990, Part X ► \$
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 relating to these items:
a Revenues included in Form 990, Part VIII, line 1 ► \$
b Assets included in Form 990, Part X ► \$

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 <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other
c <input type="checkbox"/> Preservation for future generations	

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

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" to 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 XIV and complete the following table:

Amount	
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? . . . Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to 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 year end balance held as:

a Board designated or quasi-endowment ► %

b Permanent endowment ► %

c Term endowment ► %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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

Yes	No
3a(i)	
3a(ii)	
3b	

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	0	1,174,491		1,174,491
b Buildings	0	3,610,505	434,160	3,176,345
c Leasehold improvements	0	0	0	0
d Equipment	0	80,313,859	26,869,069	53,444,790
e Other	0	0	0	0

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ► 57,795,626

Part VII Investments—Other Securities. 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
Financial derivatives		
Closely-held equity interests		
Other		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12)		

Total. (Column (b) must equal Form 990, Part X, col. (B) line 12)

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
AR Electric Coop Corp	9,827,671	cost
AR Electric Coop Inc	518,821	cost
AR Rural Electric Self-Ins Trust	119,235	cost
National Rural Util Coop Finance Corp	955,736	cost
Federated Insurance Co.	171,451	cost
Other Investment in Associated Organizations	5,679	cost
Energy Resource Loans	5,820	cost
Investment in AECC/ERMCO	32,000	cost
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13) ►	11,636,413	

Total. (Column (b) must equal Form 990, Part X, col. (B) line 13)

Part IX Other Assets. See Form 990, Part X, line 15.

Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount	
Federal income taxes	0	
Refundable Aid to Construction	191,009	

2. FIN 48 Footnote. In Part XIV, 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.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1 Total revenue (Form 990, Part VIII, column (A), line 12)	1	25,173,334
2 Total expenses (Form 990, Part IX, column (A), line 25)	2	24,329,032
3 Excess or (deficit) for the year. Subtract line 2 from line 1	3	844,302
4 Net unrealized gains (losses) on investments	4	
5 Donated services and use of facilities	5	
6 Investment expenses	6	
7 Prior period adjustments	7	
8 Other (Describe in Part XIV.)	8	-1,183,324
9 Total adjustments (net). Add lines 4 through 8	9	-1,183,324
10 Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	-339,022

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1 Total revenue, gains, and other support per audited financial statements	1	25,173,334
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a Net unrealized gains on investments	2a	
b Donated services and use of facilities	2b	
c Recoveries of prior year grants	2c	
d Other (Describe in Part XIV.)	2d	
e Add lines 2a through 2d	2e	
3 Subtract line 2e from line 1	3	25,173,334
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 XIV.)	4b	
c Add lines 4a and 4b	4c	
5 Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	25,173,334

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1 Total expenses and losses per audited financial statements	1	24,329,032
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 XIV.)	2d	
e Add lines 2a through 2d	2e	
3 Subtract line 2e from line 1	3	24,329,032
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 XIV.)	4b	
c Add lines 4a and 4b	4c	
5 Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	24,329,032

Part XIV Supplemental Information

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part X Line 2 FIN 48 Footnote - During the year the Cooperative adopted Financial Accounting Standards Board (FASB)

Interpretation No. 48, Accounting for Uncertainty in Income Taxes. As part of this process, the Cooperative currently

evaluates the components of the annual test for maintenance of its tax-exempt status under section 501(c)(12) of the

Internal Revenue Code of 1986, as amended. This process includes an analysis of whether the position the Cooperative

takes with regard to a particular item of income would meet the definition of an uncertain tax position under FIN48. As a

result of the evaluation made for 2009 of the components of the annual test for maintenance of its tax-exempt status, the

Cooperative takes the position for the year ended December 31, 2009, that it continues to qualify as a tax-exempt

Part XIV Supplemental Information (continued)

(Part X, continued) not-for-profit entity under section 501(c)(12) of the Internal Revenue Code of 1986, as amended.

Part XI Line 8 Other Changes in Net Assets

Increase in Membership	310
Patronage Capital Credits Retired	-1,118,472
Decrease in Other Comprehensive Income	- 98,500
Increase in Unlocated Capital Credits	33,338
Total Other Changes in Net Assets	- 1,183,324

SCHEDULE J
(Form 990)Department of the Treasury
Internal Revenue Service

Compensation Information
For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
► Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009**Open to Public
Inspection**Name of the organization
Petit Jean Electric Cooperative Corporation Employer identification number
71 **0139955****Part I Questions Regarding Compensation**

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

	Yes	No

1b**2**

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

4a**4b****4c**

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

5a**5b**

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

6a**6b**

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

7

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

8

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

9

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in 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 are not listed on Form 990, Part VII.

Note The sum of columns (B) must equal the applicable column (D) or column (E) amounts on Form 990 Part VII line 1a.

Part III Supplemental Information

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

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

► Complete if the organization answered

**"Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.**

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2009

**Open To Public
Inspection**

Name of the organization

Employer identification number

Petit Jean Electric Cooperative Corporation

71 : 0130055

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section-4958

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

Part III Grants or Assistance Benefiting Interested Persons

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Complete if the organization answered "Yes" on Form 550, Part IV, line 27.		
(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

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
Arkansas Electric Cooperative Corp	CEO&dir on AECC Brd	12,765,253	purchase wholesale power		✓
Arkansas Electric Cooperative Inc	CEO&dir on AECL Brd	1,609,492	contract labor & matl/supp		✓

**SCHEDULE O
(Form 990)**Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990**Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.

► Attach to Form 990.

OMB No 1545-0047

2009Open to Public
Inspection

Name of the organization

Petit Jean Electric Cooperative Corporation

Employer identification number

71**0139955****Part VI****Line 7a** Each member of the cooperative has a vote in the annual election of board members.**Line 11A** A copy of the Form 990 is provided to each board member before it is filed. Any questions are addressed by the general manager or manager of finance and accounting.**Line 12c** Per policy adopted 12/18/08 attached**Line 15a** The full board reviews compensation using comparable data of other rural electric cooperatives in Arkansas**Line 15b** For other officers/key employees, the CEO gathers data from other rural electric cooperatives in Arkansas and makes a recommendation to the full board for their review and approval.**Line 19** Petit Jean Electric Cooperative serves the public in its territory with electricity. The members served are

provided a copy of the bylaws when they apply for service. Each year members are mailed a copy of the annual report that provides financial data for the past 3 years. The conflict of interest policy is available upon request. Also, as a regulated entity under the Arkansas Public Service Commission and the Rural Development Electric Program, annual financial statements are filed which are available as per the rules of each agency.

Part VII, Section A, column F Other Compensation

Other compensation for officers includes the change in actuarial value of defined benefit pension plans rather than the amount contributed for the individuals during the year. The actual contribution rate for participants in the pension plan is the same for all individuals in the plan. The change in actuarial value for each participant, however, varies with age.

Schedule L, Part IV

The Cooperative's CEO/General Manager and one board member serve on the board of directors for Arkansas Electric Cooperative Corp. and Arkansas Electric Cooperative Inc. The amount of the transactions reported is the amount paid by Petit Jean Electric Cooperative Corp. to the other corporations for power purchased, contract labor, materials, and supplies.

Name of the organization

Employer identification number

POLICY NO. 32

**PETIT JEAN ELECTRIC COOPERATIVE
CLINTON, ARKANSAS**

BOARD POLICY

SUBJECT: CONFLICT OF INTEREST

OBJECTIVE:

It is the policy of PJECC that its directors and employees shall conduct the business of the Cooperative in an honest and ethical manner in order to best serve the interests of PJECC and its members. The purpose of this policy is to set guidelines regarding conflict of interest.

POLICY CONTENT:

PJECC is committed to deterring wrongdoing, improving its ongoing operations and conforming to effective professional and fiscal practices. This policy provides written guidelines designed to promote, among other things, honest and ethical conduct and compliance with applicable governmental laws, rules and regulations. The following examples describe some of the circumstances and conditions that are, might be, or have the potential to be considered inappropriate conduct. These examples are not intended to be all-inclusive.

- (1) Employees and directors are prohibited from receiving gifts, fees, loans or favors from suppliers, contractors, consultants, or financial houses, which are intended to obligate them or induce them to compromise their responsibilities to negotiate, inspect, audit, or award contracts with the best interest of PJECC uppermost in mind. This does not prohibit receiving gifts or favors of nominal value or casual entertainment or reimbursement for business expenses which meet all standards of ethical business conduct and which receipt involves no element of concealment.
- (2) The complete confidentiality of business information must be respected at all times. Employees and directors are prohibited from knowingly disclosing such information to those who do not have a need to know or whose interest may be adverse to PJECC, or in any way using such information for personal gain or to the detriment of PJECC.
- (3) Employees and directors shall make a full and complete disclosure of any personal financial interests that they may have in property that PJECC acquires or considers acquiring, or in a supplier, contractor, consultant, or other entity with which PJECC does business.

POLICY NO.32 CONT'D.

- (4) Employees should get CEO / General Manager approval of any other employment (including contractual / outside consulting). Approval will be denied if a conflict of interest exists or appearance of a conflict of interest exists.
- (5) Employees and directors should not engage in business with the cooperative (such as selling materials or services) unless such business is minor in cost and is not regular in nature. The CEO / General Manager must approve minor and irregular business with the cooperative before the transaction occurs.
- (6) Every director and employee of PJECC is expected to avoid the appearance of conflicts of interest since it is not feasible in a policy statement such as this to describe all the circumstances and conditions that might be, or have the potential of being considered, conflicts of interest.
- (7) These same guidelines apply to close family members and companies / corporations of which the employee or director play a major role.

REPORTING:

Each employee and director must report any situation that violates, may violate, or could appear to violate the intent of this policy to the CEO / General Manager.

INVESTIGATION & ACTION:

The CEO / General Manager will make a good faith determination if the circumstances of the relationship / transaction are a conflict of interest of the operations of PJECC. Some circumstances may warrant further investigation and/or consultation with the Board or legal counsel. If the decision is made that a conflict of interest violation exists, the director or employee will be so advised. A violation may be subject to disciplinary action up to and including termination and/or criminal prosecution.

RESPONSIBILITY:

A. Employee and Director:

Each employee and director shall make every reasonable effort to comply with the letter and spirit of this policy.

Each employee and director shall assist in any investigation concerning a violation of this policy or an investigation by any regulatory or law enforcement agency.

Each employee and director shall report any situation that violates, may violate or could appear to violate the intent of the policy to their supervisor or the CEO / General Manager

B. CEO / General Manager:

POLICY NO. 32 CONT'D.

The CEO / General Manager will investigate allegations of suspected violations of conflict of interest and shall ensure all required procedures are in place to:

- (1) Investigate all violations in a timely manner.
- (2) Document the receipt, retention and disposition of all violations.
- (3) Ensure confidentiality and anonymity.
- (4) Prevent retaliation.
- (5) Review claims of retaliation.
- (6) Ensure independent review by unbiased party.
- (7) Protect rights of "Whistleblower" in accordance with Whistleblower policy.

C. Board President:

In those instances where the CEO / General Manager is implicated in the allegation, the Board President will investigate.

D. Directors, officers and key employees:

Directors, officers, and key employees must complete a questionnaire supplied by PJECC's accounting staff for completion of the corporations' Form 990 to comply with IRS requirements on related party transactions, etc.


Donnie Collins
Secretary

Date Adopted: 12/18/08