**MEMORANDUM**

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| To: |  Martha A. Duggan, Senior Principal, Regulatory Affairs Jessica T. Healy, Assistant General Counsel  |
| From: | Ernest B. Abbott, Of Counsel Wendy Huff Ellard, Associate |
| Date: | February 22, 2016 |
| Re: | National Rural Electric Cooperative Association Member Compliance with 2 C.F.R. § 200.318(c)(1) - General Procurement Standards / Conflicts of Interests |

 The National Rural Electric Cooperative Association (“NRECA”) is the national service organization for more than 900 not-for-profit rural electric utilities that provide electric energy to over 42 million people in 47 states or 12 percent of electric customers. Every year, NRECA's member cooperatives lose critical facilities and infrastructure to ice storms, tornadoes, floods, hurricanes and the like. If this damage is caused by a major disaster declared by the President of the United States, then many of the cooperatives’ response and recovery costs are eligible for reimbursement assistance from the Federal Emergency Management Agency (“FEMA”) via its Public Assistance Program.

 Disaster assistance under FEMA’s Public Assistance Program is administered as a federal grant and as such is subject to the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, codified at 2 C.F.R., Chapter I and II, Part 200, et al.[[1]](#footnote-1),[[2]](#footnote-2) These regulations, commonly referred to as the "Super Circular," consolidate program requirements previously found in 44 C.F.R. Part 13 (the codified OMB Circular A-102, Grant Awards and Cooperative Agreements with State and Local Governments), 2 C.F.R. Part 215 (codified OMB Circular A-110, Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations) and general grant administration requirements found in six other separate OMB documents.[[3]](#footnote-3) The intent of the Super Circular is to provide streamlined guidance for federal awards to "non-Federal entities," a term defined to include all state, local government, Indian tribal government, and nonprofit grant recipients (including electric cooperatives).[[4]](#footnote-4)

 NRECA has asked for our evaluation of how several activities might potentially impact reimbursement funding otherwise eligible for grant assistance to its member cooperatives through FEMA's Public Assistance Program. Specifically, NRECA has asked us to provide guidance on whether certain gifts to, or social situations involving, NRECA member cooperatives’ officers or employees may be perceived as unethical and impermissible under federal regulations applicable to cooperatives that receive grants from FEMA. This memorandum (1) summarizes the available information with respect to compliance with the prohibition regarding gifts as per current/potential vendors and NRECA member cooperatives; and (2) provides our recommendations as to what, if any, mitigating actions should be considered to lessen the potential risks that these activities might impact current/future eligibility for funds that may be claimed under FEMA's Public Assistance Program.

## Summary of Evaluation and Recommendations

 Federal grant regulations within the Super Circular at 2 C.F.R. §§ 200.317 through 326[[5]](#footnote-5) set forth various procurement standards applicable to all non-Federal entities receiving Federal grant funds. These include, among others, a requirement to "maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts."[[6]](#footnote-6) This section continues with several specific limitations that may give rise to an actual or perceived conflict of interest if not handled appropriately, including a statement that:

The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.[[7]](#footnote-7)

 To comply with these explicit regulatory requirements, all cooperatives that are eligible for FEMA Public Assistance funding, or funding under any other federal grant, should have in place written standards governing procurements, including consideration of how potential conflict of interests situations, including gifting, will be evaluated. These standards are required for any cooperatives currently receiving assistance from FEMA, and would be required should a cooperative receive FEMA assistance in the future.

 The regulations themselves do not dictate the substantive content of the conflict of interest standards required of federal grant recipients. They do indicate that recipients have some flexibility, stating that non-Federal entities, including electric cooperatives, "may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value."[[8]](#footnote-8) But, the regulation provides no guidance as to what is “not substantial” or considered “nominal value,” such that the content of any such exceptions is left to the discretion of the non-Federal entity.

 Nonetheless, we would recommend that a cooperative receiving or anticipating receipt of federal disaster assistance draft its written standards with an eye toward the Standards of Ethical Conduct for Employees of the Executive Branch (the "Federal Standards"), as FEMA has indicated that it will consider the rules provided therein as guidelines to evaluate a non-Federal entity's standards.

 For any cooperatives that do not [yet] have their own internal standards, we recommend that the appropriateness of gifts be reviewed under the Federal Standards and the limitations adhered to as closely as possible until such time as the cooperative can put its own standards into place. The Federal Standards are discussed in greater detail below but indicate that a cooperative CEO/General Manager should never solicit/coerce any gift or accept any gift that could be interpreted as in exchange for performance of an official act. Further, a cooperative CEO/General Manager may only accept an unsolicited gift under certain circumstances when the item is from a "prohibited source" and given because of his/her official position.

 We provide further discussion of the pertinent definitions and exceptions within the sections below along with our recommendations to address any potential issues created by same. Note, our analysis focuses on whether NRECA member cooperative personnel may accept gratuities/gifts from a vendor when the vendor is considered a "prohibited source" under the Federal Standards and the cooperative anticipates that Federal funding, from FEMA or otherwise, may be requested to cover all or a portion of costs for work performed by the vendor. The prohibitions discussed herein would not apply in the absence of Federal funding. Additionally, the determination as to whether a vendor is a prohibited source should be made at the time the gift is presented. We find no requirement to attempt to make prospective assumptions about whether an entity may later become prohibited, or to disqualify vendors from opportunities solely based on items properly accepted from the vendor in the past as long as the circumstances would not otherwise indicate a conflict of interest as per the vendor and the cooperative.

## Guidance Regarding Non-Federal Entity Acceptance of Gratuities from Current/Potential Vendors

 The Super Circular provides the following with respect to standards of conduct and gifting:

The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. **The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.**[[9]](#footnote-9)

 Notwithstanding that the regulation technically leaves further definition of prohibited gratuities to the electric cooperatives as non-Federal entities, FEMA indicates in its Procurement Disaster Assistance Team ("PDAT") Field Manual that the Standards of Ethical Conduct for Employees of the Executive Branch (the "Federal Standards") will be considered a "useful guide" in analyzing exceptions.[[10]](#footnote-10) Specifically, regulations at 5 C.F.R. Part 2635, Subpart B-Gifts from Outside Sources,[[11]](#footnote-11) provide information regarding how items provided by vendors to cooperative CEOs/General Managers may be viewed by FEMA.

## Standards of Ethical Conduct for Employees of the Executive Branch

Pursuant to § 2635.202, General standards:

(a) General prohibitions. Except as provided in this subpart, an employee shall not, directly or indirectly, solicit or accept a gift:

(1) From a prohibited source; **or**

(2) Given because of the employee's official position.[[12]](#footnote-12)

 A "gift" is defined as "any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value."[[13]](#footnote-13) It includes "services as well as gifts of training, transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred"[[14]](#footnote-14) but does not include:

(1) Modest items of food and refreshments, such as soft drinks, coffee and donuts, offered other than as part of a meal;

(2) Greeting cards and items with little intrinsic value, such as plaques, certificates, and trophies, which are intended solely for presentation;

(3) Loans from banks and other financial institutions on terms generally available to the public;

(4) Opportunities and benefits, including favorable rates and commercial discounts, available to the public or to a class consisting of all Government employees or all uniformed military personnel, whether or not restricted on the basis of geographic considerations;

(5) Rewards and prizes given to competitors in contests or events, including random drawings, open to the public unless the employee's entry into the contest or event is required as part of his official duties;

(6) Pension and other benefits resulting from continued participation in an employee welfare and benefits plan maintained by a former employer;

(7) Anything which is paid for by the Government or secured by the Government under Government contract;

(8) Any gift accepted by the Government under specific statutory authority….; or

(9) Anything for which market value is paid by the employee.[[15]](#footnote-15)

 A gift is solicited or accepted "because of the employee's official position" if it is from a person other than another employee and would not have been solicited, offered, or given had the employee not held the status, authority or duties associated with his/her position.[[16]](#footnote-16) A gift which is solicited or accepted "indirectly" includes one given with the cooperative employee's knowledge to his/her parent, sibling, spouse, child, or dependent relative because of that person's relationship to the employee, or given to any other person, including any charitable organization, on the basis of designation, recommendation, or other specification by the cooperative employee.[[17]](#footnote-17)

 A "prohibited source" is defined as any person who:

(1) Is seeking official action by the employee's agency;

(2) Does business or seeks to do business with the employee's agency;

(3) Conducts activities regulated by the employee's agency;

(4) Has interests that may be substantially affected by performance or nonperformance of the employee's official duties; or

(5) Is an organization a majority of whose members are described in paragraphs (d)(1) through (4) of this section.[[18]](#footnote-18)

 Contractors who work primarily in the utility and/or disaster recovery arena - such as debris removal, vegetative maintenance, and power restoration contractors - and who are current or potential contractors for the member cooperatives would likely fall into at least one of the categories under the definition and be considered a "prohibited source."[[19]](#footnote-19) Anything gifted to cooperative personnel by one of these contractors will likely be assumed given because of his/her position. The broad definition of a "gift" therefore means virtually anything given directly by these contractors to member cooperative personnel would potentially be considered an improper gift if not excluded by the above (most likely to be applicable would be food/refreshments, items for presentation, or public prizes) or covered by an exception.

## Exceptions within the Federal Standards

Exceptions that would most commonly apply are discussed below:

#### Gifts of $20 or Less (Nominal Value)

"An employee may accept **unsolicited** gifts having an aggregate market value of **$20 or less per source per occasion**, provided that the aggregate market value of individual gifts received from any one person under the authority of this paragraph shall not exceed **$50 in a calendar year**. This exception does not apply to gifts of cash or of investment interests such as stock, bonds, or certificates of deposit. Where the market value of a gift or the aggregate market value of gifts offered on any single occasion exceeds $20, the employee may not pay the excess value over $20 in order to accept that portion of the gift or those gifts worth $20. Where the aggregate value of tangible items offered on a single occasion exceeds $20, the employee may decline any distinct and separate item in order to accept those items aggregating $20 or less."[[20]](#footnote-20)

This exception would cover small gifts and meals provided by a contractor to member cooperative personnel. Market value is the cost the recipient would incur to purchase the gift. An estimate, or comparison to similar item, can be used if the exact market value is unknown.[[21]](#footnote-21) Tickets are also often covered by this exception, the value of which would be the face value of the ticket, not the actual worth of the items covered by the ticket.

A "person" is defined to include an entity and its officers and employees, so all gifts provided by persons affiliated with any one vendor would need to be aggregated even if given by different persons. The total amount would be capped at $20 **per source/per occasion** and $50 **per year** unless covered by another exception.

For example, the President of Company X could buy a $10 lunch for a cooperative CEO during an event, but, if the Vice-President of Company X wanted to then buy the CEO's dinner during that same event, it could cost no more than $10 or the CEO would need to decline. But, Company Y could buy the CEO dinner at $20 during the event. The total dinners/other gifts provided by either company would be capped at $50 for the year.

#### Gifts Based on a Personal Relationship

"An employee may accept a gift given under circumstances which make it clear that the gift is motivated by a family relationship or personal friendship rather than the position of the employee."[[22]](#footnote-22) Great care should be taken with this exception. An example indicates that even a personal friendship will not justify use of the exception if an entity is paying for the gift (not the individual) and the motivation for the gift appears to be based on a business relationship rather than personal.

For example, a cousin who works for a utility contractor could buy lunch for a cooperative CEO during an event, but if the cousin wanted to pay for the lunch with a company credit card, the CEO would need to clarify that the lunch is personal and/or make sure the lunch would be covered by the nominal value or other exception.

#### Discounts and Similar Benefits

 This exception allows acceptance of commercial discounts and reduced membership or other fees under certain circumstances that generally indicate the benefit is widely available and/or not based on the nature of the person's employment.[[23]](#footnote-23) If a discount is being offered to a CEO/General Manager of a cooperative based solely on his/her status and not on some bona-fide professional or other widely applied categorization (i.e., discounts that are offered for military status, licensure, age, etc.), the gift may be prohibited.

#### Awards\*

 Under this exception, cooperative personnel may accept gifts, other than cash or an investment interest, with an aggregate market value of $200 or less if such gifts are related to an award given for public service or achievement.[[24]](#footnote-24) If valued over $200, or given by a person who has interests that may be substantially affected by the performance or nonperformance of the employee's official duties, the award should only be accepted if given on a regular basis and pursuant to written standards. If an award is properly given, the cooperative member could also accept things given as part of the presentation (including meals/entertainment given to recipient and guests). \*This exception also covers acceptance of honorary degrees; not discussed.

#### Gifts Based on Outside Business or Employment Relationships

 This exception would apply when it is clear that the gift is being given because of some other circumstance and not because of the official position of the member cooperative employee.[[25]](#footnote-25) The gift being provided may be from an otherwise prohibited source, as long as that status is merely coincidence to the other relationship which is the actual motivation behind the gift.

 For example, if the spouse of a member cooperative's CEO works for a utility contractor, the CEO can attend the contractor's annual meeting at the beach for free as long as all other spouses attend under the same general arrangements. A second example covers prospective employers; if a CEO is being courted by a utility contractor, the CEO could accept a nice dinner/travel accommodations as part of those discussions as long as the CEO excuses himself from any later discussions that might include decisions that would impact the contractor.

#### Widely Attended Gatherings and Other Events

This exception is the most complex due to its varying applications. With respect to cooperative personnel, this exception may apply to coverage of fees, meals, entertainment, and other items provided as part of large conferences and other events.*[[26]](#footnote-26)*

The exception first provides that a cooperative CEO/General Manager can accept free attendance for an event, as provided by the sponsor, if he/she is assigned to participate as a speaker or panel participant or otherwise to present information on behalf of the cooperative. The employee's participation in the event on that day is viewed as a customary and necessary part of his/her performance of the assignment and does not involve a gift.[[27]](#footnote-27)

The second part of the exception covers widely attended gatherings, often referred to as "WAGs" in Federal analyses. When there has (1) been a determination that attendance is in the interest of the cooperative because it will further cooperative programs and operations, and (2) the gathering is "widely attended" meaning it is expected that a large number of persons will attend and that persons with a diversity of views or interests will be present, for example, if it is open to members from throughout the interested industry or profession or if those in attendance represent a range of persons interested in a given matter:

(1) From the sponsor of the event - Cooperative personnel may accept an **unsolicited** gift of free attendance at all or appropriate parts of the gathering, or

(2) From a person other than the sponsor of the event - Cooperative personnel may accept an **unsolicited** gift of free attendance at all or appropriate parts of the gathering **if more than 100 persons are expected to attend** and **the gift of free attendance has a market value of $375 or less**.[[28]](#footnote-28)

The determination that attendance is in the interest of the cooperative may be made orally or in writing unless the person who has extended the invitation has interests that may be substantially affected by the performance or nonperformance of the employee's official duties or is an association or organization the majority of whose members have such interests. In such a case, the determination should be in writing and conclude that the cooperative's interest in the employee's participation in the event outweighs the concern that acceptance of the gift of free attendance may appear to improperly influence the employee in the performance of his/her official duties. Relevant factors that should be considered include the importance of the event to the cooperative, the nature and sensitivity of any pending matter affecting the interests of the person who has extended the invitation, the significance of the employee's role in any such matter, the purpose of the event, the identity of other expected participants and the market value of the gift of free attendance.[[29]](#footnote-29)

If the offer of free attendance is determined appropriate, it may include waiver of all or part of a conference or other fee, food, refreshments, entertainment, instruction, and materials furnished to all attendees as an integral part of the event. It does not include travel expenses, lodgings, entertainment collateral to the event, or meals taken other than in a group setting with all other attendees.[[30]](#footnote-30)

Notably, the cost of the employee's attendance will not be considered to be provided by the sponsor, and the invitation is not considered to be from the sponsor of the event, **where a person other than the sponsor designates the employee to be invited and bears the cost of the employee's attendance through a contribution or other payment intended to facilitate that employee's attendance**.[[31]](#footnote-31) Payment of dues or a similar assessment to a sponsoring organization does not constitute a payment intended to facilitate a particular employee's attendance. The examples included in the Federal Standards are reproduced below:

*Example 1*: An aerospace industry association that is a prohibited source sponsors an industrywide, two-day seminar for which it charges a fee of $400 and anticipates attendance of approximately 400. An Air Force contractor pays $2,000 to the association so that the association can extend free invitations to five Air Force officials designated by the contractor. The Air Force officials may not accept the gifts of free attendance. **Because the contractor specified the invitees and bore the cost of their attendance, the gift of free attendance is considered to be provided by the company and not by the sponsoring association.** Had the contractor paid $2,000 to the association in order that the association might invite any five Federal employees, an Air Force official to whom the sponsoring association extended one of the five invitations could attend if his participation were determined to be in the interest of the agency. The Air Force official could not in any case accept an invitation directly from the non-sponsor contractor because the market value of the gift exceeds $375.

*Example 2:* An employee of the Department of Transportation is invited by a news organization to an annual press dinner sponsored by an association of press organizations. Tickets for the event cost $375 per person and attendance is limited to 400 representatives of press organizations and their guests. If the employee's attendance is determined to be in the interest of the agency, she may accept the invitation from the news organization because more than 100 persons will attend and the cost of the ticket does not exceed $375. However, if the invitation were extended to the employee and an accompanying guest, her guest could not be authorized to attend for free since the market value of the gift of free attendance would be $750 and the invitation is from a person other than the sponsor of the event.[[32]](#footnote-32)

#### Social Invitations from Persons other than Prohibited Sources

Cooperative personnel may properly accept food, refreshments and entertainment, not including travel or lodgings, at a social event attended by several persons where (1) The invitation is from a person who is not a prohibited source, and (2) No fee is charged to any person in attendance.[[33]](#footnote-33)

As noted above, our evaluation concludes that NRECA would not be considered a prohibited source by its member cooperatives. Member cooperative personnel may therefore accept invitations from NRECA and attend events sponsored/hosted by NRECA, including food, entertainment, etc., with no gifting concerns. Contractors would not qualify for this exception if considered a prohibited source; however, an example provided in the Federal Standards indicates that a vendor who is not aware of any current opportunities and is therefore not actively seeking to do business with a cooperative may extend a social invitation, and the cooperative could accept, as long no fees are charged to any participants.

## Limitations on Use of Exceptions - Generally Prohibited Actions

Notwithstanding all of the above, the Federal Standards provide that the following actions are always prohibited, even when covered by an otherwise valid exception:

(1) Accept a gift in return for being influenced in the performance of an official act;

(2) **Solicit or coerce the offering of a gift**;

(3) Accept gifts from the same or different sources on a basis so frequent that a reasonable person would be led to believe the employee is using his public office for private gain;

(4) Accept a gift in violation of any statute; or

(5) Accept vendor promotional training contrary to applicable regulations, policies or guidance relating to the procurement of supplies and services.[[34]](#footnote-34)

## Disposition of Prohibited Gifts

We understand there will be times when it is not possible or practical for a member cooperative employee to refuse a gift. This can occur when the gift is presented publicly or perhaps is sent to the cooperative office and there is no reasonable method to decline. In these type situations, the Federal Standards include several options for handling:[[35]](#footnote-35)

(1) Return the gift to the vendor/contractor or pay for its market value. When you cannot determine the actual market value of an item, you may estimate its market value by reference to the retail cost of similar items of like quality.

(2) When it is not practical to return an item because it is perishable, the item may, at the discretion of the employee's supervisor or an ethics official, be given to an appropriate charity, shared within the recipient's office, or destroyed. This could cover, for example, a floral arrangement sent to a cooperative CEO/General Manager.

(3) For any entertainment, favor, service, benefit or other intangible, you may reimburse the donor the market value. Note, subsequent reciprocation does not constitute reimbursement. For example, if the President of a contractor that is a "prohibited source" pays for your dinner during an event at a cost of $60, under the Federal Standards, it does not cancel out the gift for you to simply pay for his dinner the next evening.

1. Promulgated by the Office of Management and Budget ("OMB") on behalf of all federal agencies in 78 Fed. Reg. 78589, Dec. 26, 2013. [↑](#footnote-ref-1)
2. The Super Circular is effective for all disasters declared on or after December 26, 2014. However, the Super Circular provides a grace period with respect to procurement standards that allows non-Federal entities to continue to apply procurement standards in previous OMB guidance for one additional fiscal year after the Super Circular went into effect, as long as provided for within the non-Federal entity's written procurement standards. In this situation, and in the case of any disaster declared prior to December 26, 2014, the applicable procurement guidance would be found within 2 C.F.R. Part 215. For purposes of our analysis, the language of the applicable regulation is substantially similar, and would not impact our recommendations, so the Super Circular citations will be used. [↑](#footnote-ref-2)
3. OMB Circulars on Cost Principles A-21 (Educational Institutions), A-87 (State, Local, and Indian Tribal Governments), and A-122 (Non-Profits); Circular A-89 on Federal Domestic Assistance Program Information; A-133 (Audits of States, Local Governments and Non-Profit Organizations); and the guidance in Circular A-50 on Single Audit Act follow-up. [↑](#footnote-ref-3)
4. 2 C.F.R. § 200.69. [↑](#footnote-ref-4)
5. Or in 44 C.F.R. § 13.36/2 C.F.R. §§ 215.40-48 for disasters declared prior to December 26, 2014. [↑](#footnote-ref-5)
6. 2 C.F.R. § 200.318(c)(1). [↑](#footnote-ref-6)
7. *Id.* [↑](#footnote-ref-7)
8. *Id.*  [↑](#footnote-ref-8)
9. 2 C.F.R. § 200.318, General procurement standards, (c)(1). Emphasis added. [↑](#footnote-ref-9)
10. FEMA Field Manual, Public Assistance Grantee and Subgrantee Procurement Requirements Under 44 C.F.R. PT. 13 and 2 C.F.R. PT. 215, FEMA Office of Chief Counsel, Procurement Disaster Assistance Team, December 2014 at Page 102. Note, this Manual was prepared specifically as an aid to interpret regulations that preceded the Super Circular. However, the specific regulation at issue, 2 C.F.R. § 300.318, is nearly identical to the previous 44 C.F.R. § 13.36(b)(3)(4) and 2 C.F.R. § 215.42. [↑](#footnote-ref-10)
11. 5 C.F.R. § 2635, Standards of Ethical Conduct for Employees of the Executive Branch, at Part B, Gifts from Outside Sources, Sections 201-205. [↑](#footnote-ref-11)
12. 5 C.F.R. § 2635.202(a). Emphasis added. [↑](#footnote-ref-12)
13. 5 C.F.R. § 2635.203(b). [↑](#footnote-ref-13)
14. *Id.*  [↑](#footnote-ref-14)
15. 5 C.F.R. § 2635.203(b). [↑](#footnote-ref-15)
16. 5 C.F.R. § 2635.203(e). [↑](#footnote-ref-16)
17. 5 C.F.R. § 2635.203(f). [↑](#footnote-ref-17)
18. 5 C.F.R. § 2635.203(d). [↑](#footnote-ref-18)
19. We note that if vendors provide funding to NRECA for sponsorship of events, and NRECA invites member cooperative officers and employees to those events, acceptance of the invitation would not be prohibited because NRECA itself receives no federal grants, and is not a “prohibited source” under the regulations. NRECA is not seeking official action or seeking to do business with the cooperatives in the manner contemplated by the regulation. NRECA also does not conduct activities regulated by its member cooperatives, does not have interests affected by performance of the cooperative (as contemplated by this section), and is not an organization made up of members who would fall into these type categories with respect to its member cooperatives. [↑](#footnote-ref-19)
20. 5 C.F.R. § 2635.204(a). Emphasis added. [↑](#footnote-ref-20)
21. 5 C.F.R. § 2635.203(c). [↑](#footnote-ref-21)
22. 5 C.F.R. § 2635.204(b). [↑](#footnote-ref-22)
23. 5 C.F.R. § 2635.204(c). [↑](#footnote-ref-23)
24. 5 C.F.R. § 2635.204(d). [↑](#footnote-ref-24)
25. 5 C.F.R. § 2635.204(e). [↑](#footnote-ref-25)
26. 5 C.F.R. § 2635.204(g). [↑](#footnote-ref-26)
27. *Id.* at (1). [↑](#footnote-ref-27)
28. *Id.* at (2). [↑](#footnote-ref-28)
29. *Id.* at (3). [↑](#footnote-ref-29)
30. *Id.* at (4). [↑](#footnote-ref-30)
31. *Id.* at (5). Emphasis added. [↑](#footnote-ref-31)
32. *Id.* Emphasis added. [↑](#footnote-ref-32)
33. 5 C.F.R. § 2635.204(h). [↑](#footnote-ref-33)
34. 5 C.F.R. § 2635.202(c). [↑](#footnote-ref-34)
35. 5 C.F.R. § 2635.205. [↑](#footnote-ref-35)