



OFFICE OF  
INSURANCE COMMISSIONER

|                                    |   |                           |
|------------------------------------|---|---------------------------|
| In the Matter of                   | ) | No. 08-22                 |
|                                    | ) |                           |
| The Financial Examination of       | ) | FINDINGS, CONCLUSIONS,    |
| <b>YOUNG WOMEN'S CHRISTIAN</b>     | ) | AND ORDER ADOPTING REPORT |
| <b>ASSOCIATION OF SEATTLE-KING</b> | ) | OF                        |
| <b>COUNTY-SNOHOMISH COUNTY</b>     | ) | FINANCIAL EXAMINATION     |

A Domestic Charitable Gift Annuity Issurer. \_\_\_\_\_

**BACKGROUND**

An examination of the financial condition of **YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF SEATTLE-KING COUNTY-SNOHOMISH COUNTY** (YWCA) as of December 31, 2006, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). YWCA holds a Washington certificate of exemption to issue charitable gift annuities. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings and instructions was transmitted to YWCA for its comments on February 13, 2008. YWCA's response to the report is attached to this order only for the purpose of providing a convenient review of the response.

The Commissioner or a designee has considered the report, the relevant portions of the examiners work papers, and submissions by YWCA.

**FINDINGS**

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 7 of the report.

**CONCLUSIONS**

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of the Young Women's Christian Association of Seattle-King County-Snohomish County (YWCA) and to order YWCA to take the actions described in the Instructions and Comments and Recommendations sections of the report. The Commissioner acknowledges that YWCA may have implemented the Instructions and Comments and Recommendations prior to the date of this order. The

YOUNG WOMEN'S CHRISTIAN  
ASSOCIATION OF SEATTLE-KING COUNTY-SNOHOMISH COUNTY  
Order Adopting Examination Report  
March 11, 2008

Mailing Address: P. O. Box 40255 • Olympia, WA 98504-0255  
Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501

Instructions and Comments and Recommendations in the report are an appropriate response to the matters found in the examination.

### ORDER

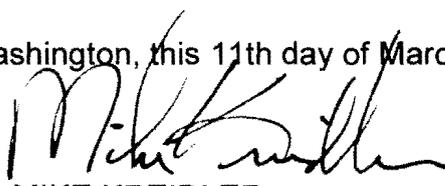
The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

The YWCA is ordered as follows, these being the Instructions and Comments and Recommendations contained in the examination report on pages 1 and 2.

1. YWCA is ordered to increase by an additional 10% the actuarial reserve calculated for the separate reserve fund in compliance with RCW 48.38.020(3). Instruction 1, Examination Report, page 1.
2. YWCA is ordered to comply with reporting requirements in accordance with RCW 48.38.010(10)(a) and the OIC Annual Report Instructions which require an Annual Report for the YWCA on a non-consolidated basis. Instruction 2, Examination Report, page 2.
3. YWCA is ordered to comply with RCW 48.38.010(7) by amending its certificate of exemption with the correct legal name of the organization and RCW 48.39.010(9) by filing an updated contract form template with the OIC. Instruction 3, Examination Report, page 2.
4. It is ordered that YWCA of Seattle-King County-Snohomish County consider safeguarding its assets by correcting the name on the custodial statement to YWCA of Seattle-King County-Snohomish County CGA Account, the legal name of the entity. Comments and Recommendations 1, Examination Report, page 2.

IT IS FURTHER ORDERED THAT, the YWCA file with the Chief Examiner, within 90 days of the date of this order, a detailed report specifying how the YWCA has addressed each of the requirements of this order.

ENTERED at Olympia, Washington, this 11th day of March, 2008.



MIKE KREIDLER  
Insurance Commissioner



February 28, 2008

James Odiorne  
Office of the Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255

RECEIVED  
FEB 28 2008  
INSURANCE  
COMMISSIONER

RE: Financial Examination Report of the Young Women’s Christian Association of Seattle-King County-Snohomish County as of December 31, 2006

Dear Mr. Odiorne:

This letter is in response to your letter dated February 13, 2008 regarding the Financial Examination Report of the Young Women’s Christian Association of Seattle-King County-Snohomish County (YWCA) as of December 31, 2006.

We appreciate the chance to comments on the findings of the on-site examination that was performed by Susan Campbell on July 16, 2007. We do not dispute any of the findings in the report and the following documents our intention to implement all of the action items in the report.

We do request that this response letter be included as an attachment to the final Examination Report.

**Exceptions**

Accrued Liabilities – Reserves

We apologize for not being aware of the requirement to have a surplus of 10% in the separate reserve fund. This additional required 10% will be implemented for our 2007 audited financial statements.

Annual Report – Consolidated

We also were not aware of the need to include only YWCA activity in the required annual report. We will report only YWCA activity on future reports, not the activity of our affiliated entities for the 2007 Annual Report and for those in future years.

Entity Name Change

We did not realize the need to notify the Office of the Insurance Commissioner of our name change that occurred in 1995 (which added 'Snohomish County' to our name). We will make sure that any future name changes are reported as required.

**Recommendations**

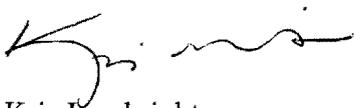
Custodial Statement

As recommended, we will notify our fund custodian, Charles Schwab, to include our full legal name on our account.

Again, we appreciate the chance to respond to your report. We also want to thank Ms. Campbell for the professional manner in which she performed the audit.

Please contact me if you need further information.

Sincerely,



Kris Lambright  
Director of Finance & Administration/CFO  
206 490-4380