MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON

Phone: (360) 725-7000
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OFFICE OF
INSURANCE COMMISSIONER

In the Matter of	)	No. G07-7
	)	
The Financial Examination of	)	FINDINGS, CONCLUSIONS,
BACK TO THE BIBLE FOUNDATION	)	AND ORDER ADOPTING REPORT
	)	OF
	)	FINANCIAL EXAMINATION

A Charitable Gift Annuity Issurer.

BACKGROUND

An examination of the financial condition of the **BACK TO THE BIBLE FOUNDATION** (BBF) as of December 31, 2004, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). BBF 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 BBF for its comments on November 1, 2006. BBF's response to the report is attached to this order only for the purpose of providing 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 BBF.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 6 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 BBF and to order BBF to take the actions

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Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501

described in the Instructions section of the report. The Commissioner acknowledges that BBF may have implemented the Instructions prior to the date of this order. The Instructions 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.

1. Pursuant to RCW 48.38.010, BBF is ordered to develop and implement a system for the accounting and reporting of its charitable gift annuity business in compliance with the principles or practices prescribed or permitted by Chapter 48.38 RCW, or to seek OIC approval for reporting on its fiscal year according to the OIC Annual Report Instructions. Examination Report, Instruction 1, page 2.

2. BBF is ordered to comply with RCW 48.38.010(6) by maintaining the required $500,000 of unrestricted net assets. Examination Report, Instruction 2, page 2.

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

ENTERED at Olympia, Washington, this 2nd day of February, 2007.

MIKE KREIDLER
Insurance Commissioner

BACK TO THE BIBLE FOUNDATION

RECEIVED
RECEIVED
NOV 17 2006
COMPANY SUPERVISION
INSURANCE COMMISSIONER
COMPANY SUPERVISION

November 17, 2006

Mr. James T. Odiorne, CPA, JD
Deputy Insurance Commissioner
State of Washington
Post Office Box 40255
Olympia, Washington 98504-0255

Re: Financial Examination Report of Back to the Bible Foundation (C
December 31, 2004

Dear Mr. Odiorne:

Thank you for the opportunity to review the above-referenced report prior to it becoming a public document. I request correction of two items:

Page 1, paragraph 2: "The examination was conducted at the *Omaha*, Nebraska office of BBF by examiners from the state of Washington." Our offices are located in Lincoln, Nebraska.

Page 1, paragraph 5: "BBF did not obtain prior permission from the OIC to prepare the annual report on its fiscal year. As a result, BBF was not in compliance with the OIC Annual Report Instructions." I obtained written permission of the OIC to provide Net Assets and Income/Expense data on our fiscal year. We always present Reserve Fund Balance data on a calendar year basis as required.

The OIC granted permission in a letter dated February 13, 2003 (a copy is provided for your reference). Nowhere in the letter does it state that we must submit a request in writing annually for continuing permission. In addition, a copy of the February 13, 2003, letter is submitted each year to the OIC with our annual report—with no comment to the contrary from the OIC. Therefore, we have been and continue to be in compliance with the OIC Annual Report Instructions and request that the above statement be changed in the examination report to reflect this fact.

Since June 30, 2005, we have had $500,000 or more of unrestricted net assets, as you can determine through the review of our annual reports. However, the OIC has never sent the Back to the Bible Foundation an ORDER REINSTATING CERTIFICATE OF EXEMPTION NO. 191. Is that necessary? If so, please issue that document.

If you have questions or if I may be of assistance in some way, you may reach me at 402-464-7200.

Sincerely,

Bryon L. Swanson
President

BLS:oeg

P.O. Box 82808 Lincoln NE 68501 • Phone: (402) 464-7200 • Fax: (402) 464-7219 • www.stewardshipsolutions.org

BACK TO THE BIBLE FOUNDATION
POB 82808
LINCOLN NE 68501

EXHIBIT A

COPY

ATTN: Bryon Swanson, President

RE: Charitable Gift Annuity Certificate #191

Dear Mr. Swanson:

Thank you for your letter of today, requesting an exemption from the requirement to provide CGA Annual Report information on a calendar year basis.

Permission is hereby granted to provide the Annual Report page three information, the Net Assets and the Income/Expense data, on a fiscal year basis. As you have noted, the Reserve Fund Balance data (page four) must continue to be reported on a calendar year basis. This Office has never allowed an exemption from that requirement. Finally, be aware that the statutory reporting deadline for the Annual Report and Actuarial Certification remains March 1, as per RCW 48.38.010(10).

In submitting the Annual Report, please note our new physical address: 5000 Capitol Blvd, Tumwater, WA 98501. If the Report is to be sent via the US Postal Service, our mailing address remains POB 40259, Olympia, 98504-0259.

As a separate matter, and as discussed with Mr. Tucker, this Office requires a separate breakout for your Foundation data in its consolidated Audited Financial Statement. Please convey this to the appropriate parties for future Statements.

If you have any questions or need additional information, please contact me at 360-725-7206 or by e-mail at KrisG@oic.wa.gov. Thank you.

Sincerely,

Kristofer Graap
Insurance Policy and Compliance Analyst I