

Wednesday, June 23, 2016

Phyllis C. Borzi, Assistant Secretary for EBSA, Department of Labor, Wins Frankel Fiduciary Prize

The Institute for the Fiduciary Standard today announced that the 2016 Frankel Fiduciary Prize honoree is Phyllis C. Borzi, Assistant Secretary at the Department of Labor (DOL) of the Employee Benefits Security Administration (EBSA). The Prize will be awarded in September at a ceremony in Washington DC.

The Frankel Fiduciary Prize Selection Committee announced the prize through a statement by Deborah A. DeMott, David F. Cavers Professor of Law, Duke Law and Chair of the Committee:

“With the final DOL rule, 2016 is watershed year. Assistant Secretary Borzi exemplifies the clear-eyed commitment to advancing fiduciary principles that the Frankel Prize is intended to honor. She has been resourceful and resolute throughout the long process leading to a new regulation that will benefit large numbers of American workers and their families by requiring loyal advice about investing retirement assets. Her unswerving commitment to the importance of fiduciary accountability in investment advice anchored her work. The Selection Committee applauds her.”

Vanguard Founder, John C. Bogle, said of Borzi at a May 23rd Institute dinner of fiduciary leaders: “Phyllis Borzi has been trying to get this fiduciary standard for retirement plans adopted with more enthusiasm and more energy, (and) more opposition. She fought it all off and never gave up. And that’s why we have it today.”

Barbara Roper, Consumer Federation of America, who nominated Borzi, noted: “While many members of the DOL team deserve credit for helping bring this rule across the finish line, no one deserves more credit than Phyllis. She is personally responsible for launching this project and she showed enormous persistence and dedication in sticking with the project when faced with a level of resistance that would have stopped most regulators in their tracks.”

Dr. Ron Rhoades, Western Kentucky University, who also nominated Borzi noted: “The DOL’s rule-making outcome has accelerated developments in the marketplace. More dual registrant firms now have a majority of their clients assets in fiduciary accounts, rather than commission-based brokerage accounts. More individual advisors have migrated to the advisory platform, never to return to their prior sales culture. . . . I cannot think of another person who has had such a great impact on the retirement security of our fellow Americans, and on the future economic growth of our nation.”

Phyllis C. Borzi

Phyllis C. Borzi is Assistant Secretary for Employee Benefits Security of the U.S. Department of Labor. Prior to serving as Assistant Secretary, Borzi was a research professor in the Department of Health Policy at George Washington University's Medical Center's School of Public Health and Health Services where she was involved in research and policy analysis. She was also of counsel to the Washington, D.C. law firm of O'Donoghue & O'Donoghue LLP, specializing in ERISA and other legal issues affecting employee benefit plans.

From 1979 to 1995, Borzi served as pension and employee benefit counsel for the U.S. House of Representatives, Subcommittee on Labor-Management Relations of the Committee on Education and Labor. In 1993, she served on working groups dealing with insurance reform, workers' compensation and employer coverage in connection with the Clinton Task Force on Health Care Reform.

In a profile of Borzi in the Investment News May 2nd Borzi revealed a personal side. She recalled her grandmother's name for her, "the tortoise," as well as her father's advice learned as a commander in WWII, "A person has to choose the hill you're going to die on." That advice apparently stuck with her.

Borzi is a charter member and former President of the American College of Employee Benefit Counsel and served on its Board of Governors from 2000-2008; former member and former co-chair of the Advisory Board of the BNA Pension & Benefits Reporter; former member of the Advisory Committee of the Pension Benefit Guaranty Corporation; and former member of the Advisory Board of the Pension Research Council, The Wharton School, The University of Pennsylvania; and former member of the Board of the Women's Institute for a Secure Retirement (WISER).

The Frankel Fiduciary Prize Selection Committee

The Frankel Fiduciary Prize has been established to acknowledge individuals who have made significant contributions to the preservation and advancement of fiduciary principles in public life. The prize is named for Professor Tamar Frankel of the Boston University School of Law

The Frankel Fiduciary Prize Selection Committee members are:

Brooksley E. Born, Retired Partner, Arnold & Porter LLP
Deborah A. DeMott, David F. Cavers Professor of Law, Duke Law
Mercer Bullard, Professor of Law, University of Mississippi School of Law
Michael B. Koffler, Partner, Sutherland Asbill & Brennan
Knut A. Rostad, President, Institute for the Fiduciary Standard

Monks, Gensler and Swensen Prior Frankel Fiduciary Prize Recipients

The Frankel Fiduciary Prize was established by the Institute for the Fiduciary Standard in 2013.

Robert A. G. Monks, the 2013 recipient, has been an outspoken advocate of stronger fiduciary duties and a prolific author on corporate governance over a long career. Monks was appointed a founding trustee of the Federal Employee Retirement System by President Reagan, and also served in the Department of Labor, as Administrator of the Office of Pension and Welfare Benefit programs. He founded Institutional Shareholder Services, and co-founded The Corporate Library (now Governance Metrics International), and has served as a director of twelve publicly traded companies.

Gary Gensler, the 2014 recipient, was sworn in as the Chairman of the Commodity Futures Trading Commission on May 26, 2009. Chairman Gensler previously served at the U.S. Department of the Treasury as Under Secretary of Domestic Finance (1999-2001) and as Assistant Secretary of Financial Markets (1997-1999). He subsequently served as a Senior Advisor to the Chairman of the U.S. Senate Banking Committee, Senator Paul Sarbanes, on the Sarbanes-Oxley Act.

David Swensen, the 2015 recipient, Yale University's Chief Investment Officer, and oversees \$23.9 billion (as of June 30, 2015) in endowment and related assets. Prior to joining Yale in 1985, Mr. Swensen spent six years on Wall Street and authored Pioneering Portfolio Management: An Unconventional Approach to Institutional Investment and Unconventional Success: A Fundamental Approach to Personal Investment, both by The Free Press.

For more information, contact Knut A Rostad at knut@thefiduciaryinstitute.org The Institute for the Fiduciary Standard it is a non-profit formed in Virginia to benefit investors and society by advancing fiduciary principles through research, education and advocacy. For more information, go to: www.thefiduciaryinstitute.org.