

17.5 Million *Lay Fiduciaries* Responsible For More than \$26 Trillion of US Investment Assets

New Study from the Center for Board Certified Fiduciaries™ Reveals the Impact *Lay Fiduciaries* Have on the Country's Fiscal Health

Many have not been trained and don't fully grasp their legal responsibilities

June 16, 2021 - STONINGTON, Conn: There are 17.5 million men and women who have the legal responsibility for managing the assets of pension plans, foundations, endowments, health and welfare plans, and personal trusts. These "*Lay Fiduciaries*" generally come from outside the financial services industry; usually don't get paid for their "fiduciary jobs" and have little, if any, training on what the law requires of them in managing more than \$26.6 trillion of our investments.

The new Center for Board Certified Fiduciaries™ (CBCF) has completed its first, of what will become an annual, survey on *lay fiduciaries* and the different pools of assets they manage.

In conducting this groundbreaking research, CBCF analyzed data from the Internal Revenue Service, Federal Reserve, U.S. Department of Labor, and numerous private-sector publications.

"Although *lay fiduciaries* have extraordinary control over many of our investments, they tend to be underappreciated by both themselves and their beneficiaries," states Allan Henriques, who led the research and analysis team. "This analysis is the first step in helping increase awareness and respect for the scope of their powerful impact."

Key Findings include:

- The total number of *lay fiduciaries* is at least 17.5 million.
- Lay fiduciaries manage more than \$26.6 trillion.
- Many *lay fiduciaries* don't fully understand their responsibilities and the associated legal liabilities.
- Most have not received formal fiduciary training. In fact, no government agency or regulator has responsibility for training the 17.5 million *lay fiduciaries*. This is where the Center for Board Certified Fiduciaries can play a crucial role.
- Nearly all *lay fiduciaries* are concerned about the marked increased in fiduciary litigation.

Of the different pools of assets:

- Retirement plans: There are nearly 3 million *lay fiduciaries* who are managing roughly \$20 trillion.
- Foundations/endowments: There are nearly 13 million *lay fiduciaries* who are managing an estimated \$6 trillion.
- Health and Welfare plans: An estimated 181,716 *lay fiduciaries* who manage \$240 billion.
- Private trusts: An estimated 1,620,097 *lay fiduciaries* (10% of the total group) who have oversight for more than \$172 billion.

“This is an excellent example of the original, practical, and insightful research that will continue to be conducted by CBCF,” observes Don Trone, the Center’s CEO.

The Center encourages comments, insights and data resources to attain an even more precise report of the impact and control these fiduciaries have. The full report can be viewed on the Center’s website here: <https://www.c-bcf.com/>.

About the BCF™ Mark: The Board Certified Fiduciary™ (BCF™) is a professional mark awarded by the Center for Board Certified Fiduciaries™, (CBCF™), that recognizes the knowledge, skills, work experience and special expertise of an exemplary fiduciary leader.

About the Center: The Center for Board Certified Fiduciaries™ (CBCF™) is a Public Benefit Corporation (PBC) founded and funded by fiduciary advocates. The CBCF™ will be affiliating with a leading university to provide a graduate-level certificate in fiduciary leadership, stewardship, and governance. Over time, CBCF will develop the curricula for the first Master’s and Ph.D. programs with a concentration in fiduciary responsibility. Learn more at www.c-bcf.com.

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