

Statement for the Record
U.S. Senate Committee on Homeland Security and Governmental Affairs
Hearing on the Nomination of John Barger to be a
Member of the Federal Retirement Thrift Investment Board
September 9, 2020

Chairman Johnson, Ranking Member Peters and members of the Committee, I am honored to appear before you today as a nominee to the Federal Retirement Thrift Investment Board. I am also grateful to President Trump for nominating me and am humbled to be considered for this role. Thank you for considering my nomination.

The FRTIB was established to provide guidance and oversight for the Thrift Savings Plan, the third of a three-legged stool providing retirement security for 5.9 million Federal employees. If confirmed, I would work with my fellow board members and staff to support the mission of the Thrift Savings Plan and strengthen it for its beneficiaries. I would focus my energies on investments, risk management, customer service, information technology, transparency and beneficiary education. From an investments standpoint, I would examine the TSP's investment beliefs. Although the present menu of investment options is compelling, the board and management should remain current and review policies and beliefs so as to provide beneficiaries with the best possible retirement options in changing financial markets.

Fundamentally, everything I do will be with the "end in mind" of maintaining and strengthening the TSP for its beneficiaries.

I believe I was nominated for this position due to my experience with personal and institutional investing, governance, and oversight of large public funds. After attending law school and becoming a practicing attorney, I obtained my M.Sc. in Finance and Accounting and joined Citibank and Bankers Trust, working with teams to finance very large and complex corporations. I left Wall Street to strike out on my own, co-founding an emerging market reinsurance company that is now AXA/XL Group-Latin America, with operations in Bermuda, Switzerland, Brazil, Argentina, Mexico, and Colombia. After successfully building that company, my partners and I sold our interest to our strategic partner, a large public company. I have since formed my current firm, NorthernCross Partners, a consultant and manager of private equity funds, also co-founding a successful and highly regarded turn-around management/consulting firm in Los Angeles while investing in a number of other private companies.

My relevant experience also includes serving seven years on the Board of the Los Angeles County Employees Retirement Association (LACERA), which is the largest county pension fund in the United States with ~\$60 billion in Assets, serving 160,000 retired and active public employees. This role required collaboration and consensus building on a non-partisan basis and addressing the interests of labor, government, and the private sector. I joined the LACERA board at the nadir of the Great Financial Crisis in 2008 and am pleased to say that LACERA came through that downturn and has dramatically grown its assets while maintaining and augmenting the services and education it provides to its beneficiaries. For three years I served as LACERA's Board Chair, elected by my fellow board members.

While on the LACERA Board, I also served as a Director of the Council of Institutional Investors, elected to that role by pension fund leaders from around the country. CII, as it is known, is based in Washington DC and was founded in 1985 by major corporate and public pension funds to be the “Voice of Corporate Governance.” I served on this board with the Chief Investment Officer of CalPERS and other pension fund industry leaders.

Presently I serve as a Governor of the United States Postal Service, a bi-partisan board comprised of members nominated by the President and confirmed by the United States Senate with oversight from this Committee. In my Governor’s role, I act as a fiduciary, assisting to provide Board oversight of the Postal Service, including the retirement programs of 630,000 United States Postal workers with retirement assets in excess of \$300 Billion.

It is my hope that that, if confirmed, my own background in finance, business, technology, and corporate governance will have prepared me to contribute meaningfully to the FRTIB. I like to think of myself as a problem solver, someone with a sense of urgency to get things done, while also working with those holding divergent views and perspectives to find consensus. I’ve learned that corporate governance work best when each participant contributes his or her experience and best ideas to work constructively with the other board members. I have been impressed with distinguished backgrounds of those currently serving on the FRTIB and with those who sit with me today as nominees to this board. If confirmed, I look forward to working with all of them. I will also look forward to working with Members of this Committee and the entire Congress to strengthen the FRTIB and support its important mission.

Again, I thank this Committee for inviting me to this proceeding and I would be happy to respond to any questions you might have.

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