SOX COMPLIANCE & THE CREDIT DEPARTMENT: BEST PRACTICES FOR EVERYONE

TRANSPORTATION REVENUE MANAGEMENT GROUP

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EVENTS WHICH TRIGGERED THE SARBANES-OXLEY ACT

- Enron, Worldcom, Global Crossing, Tyco scandals
  - False financial statements were issued
  - Investors relied on the profit numbers which were reported
  - Financial statements were restated showing that the profits did not exist
    - Accounting firms were implicated in the fraud
GOALS OF SARBANES-OXLEY

- To prevent the kind of false financial reporting which had led to the Enron and other scandals by
  - Establishing the Public Company Accounting Oversight Board (PCAOB),
  - Getting auditors involved to enforce laws against theft and fraud by corporate officers
    - In accordance with rules and regulations from the PCAOB

PCAOB

- Public Company Accounting Oversight Board
- Watchdog for public companies
- Seeks informative, accurate and independent audit reports
PCAOB

- Section 101(c) details duties of this Board
- Sets standards for public accounting
- Seeks informative, accurate and independent audit reports
  - Inspects and investigates audit reports

PCAOB

- Rules or standards for public accounting
  - Ethics, quality control, independence
  - Inspects and investigates audit reports
  - Disciplinary proceedings if necessary
- Registers public accounting firms that prepare audit reports
- Overseen by the SEC
PCAOB

Each public accounting firm must:

- Prepare and maintain all work papers, etc for not less than 7 years
- Provide a concurring or second partner review of each audit report
- Describe in each audit report the scope of the auditor’s testing of the internal control structure and procedures of the issuer

PCAOB QUALITY CONTROL STANDARDS

- Monitor professional ethics and remain independent from issues
- Consultation within firm on accounting and auditing questions
- Supervision of audit work
- Hiring, professional development and advance of personnel
- Acceptance and continuation of engagements
- Internal inspection
PCAOB

- **Section 201** prohibits any registered public accounting firm (and any person associated with that firm) to provide any non-audit related services, including: bookkeeping, financial information systems design and implementation, appraisal or valuation services, fairness opinions, or contribution-in-kind reports, actuarial services, Internal audit outsourcing services, management functions or human resources, broker or dealer, investment adviser, or investment banking services, legal services and expert services unrelated to the audit, any other service that the Board determines, by regulation is impermissible.

- **Section 202** requires that all auditing services and non-audit services, other than minor services shall be pre-approved by the audit committee of the issuer.

ATTACKS ON THE PCAOB

- **2010 Supreme Court decision in Frye v. PCAOB**
  - Sought to determine that the creation of the PCAOB was unconstitutional
  - Supreme Court only altered the method by which PCAOB members may be removed
    - Formerly only “for cause” (misbehavior)
    - Now PCAOB members may be removed at will
CHANGES EFFECTUATED BY DODD-FRANK ACT OF 2010

› Creation of Investor Advisory Board
  ◦ Representatives of large institutional advisors
  ◦ Accounting academics
  ◦ Corporate governance professionals
  ◦ Retired judges
  ◦ Regulatory officials

› Open door of communication between the investor community and the PCAOB

CHANGES EFFECTUATED BY DODD-FRANK ACT OF 2010

› “Comply or Explain”
  ◦ Requirement to report whether there are two different individuals serving as chairman of the board and CEO
  ◦ Authorization for the SEC to adopt regulations which permit shareholders to nominate 1 to 3 directors in the company’s proxy statement
    • For economic reasons
Changes effectuated by Dodd-Frank Act of 2010

- Small businesses exempt from compliance requirements of Section 404(b)
- General corporate governance issues that went beyond the financial industry
- Imposes a non-binding shareholder vote on executive compensation

Changes effectuated by Jobs Act of 2012

- Mandated a number of exemptions from the disclosure and registration requirements of the federal securities law
  - For widely traded but unlisted firms
  - Actually cut back the Scope of SOX coverage
- Jumpstart Our Business Startups Act
  - Encourages funding of small businesses
  - Eases securities regulations
    - Exemptions from disclosure requirements
    - Exemptions from registration requirements
“COMPLY OR EXPLAIN”

- Permits Internal Control (IC) systems to be less than perfect
  - As long as the facts are disclosed
  - As long as the auditing company provides the attestations
    - Most companies remedy these deficiencies once it is determined they exist
    - Some companies report with an unqualified audit opinion
  - Companies still reporting persistent IC weaknesses
  - Some report weaknesses only after a more serious restatement occurs

GOING PRIVATE

- Predictions were that SOX would cause public companies to decide to go private
  - Not have to spend the money necessary to comply with SOX
  - Not have to comply with SOX
- Public companies going private in the 33 months following the passage of SOX spiked
  - Mostly companies with capitalization of less than $30 million
    - These companies would have remained exempt in any event
GOING DARK

- Some companies decided to deregister their stock, thus suspending their reporting responsibilities
  - Those companies, generally, are
    - Smaller
    - Have poorer performance
    - Have weaker growth opportunities
    - Are close to financial distress
    - Have weaker board monitoring
    - Have weaker accounting systems
    - Have larger cash flow problems
    - Have weaker outside governance

THE SURVEY SAYS!!!!!!!

- 2005 - Financing Executives Research Foundation
  - 83% of larger company CEO's said that SOX compliance increased investor confidence
  - 33% of larger company CEO's said that SOX compliance helped to reduce fraud

- 2009 - SEC survey of 2,907 firms
  - 27% said that SOX compliance enhanced investor confidence
  - 40% said that SOX compliance caused greater confidence in financial reporting
**ADDITIONAL SURVEYS**

- **2010 - Center for Audit Quality**
  - 65% concerned about the permanent exemption for companies of under $75 million with 83% of larger company CEO's said that SOX compliance increased investor confidence
  - 33% of larger company CEO's said that SOX compliance helped to reduce fraud

- **2016 Protiviti survey of public companies with more than one year of filing**
  - 67% report their Internal Control over financial reporting has significantly or moderately approved since complying with SOX 404(b)
  - 70% leverage SOX compliance efforts to continually improve business processes

**RECENT SURVEY**

- **2013 - Government Accountability Office survey of 746 public companies**
  - 80% perceive positive benefits or impacts from compliance with auditor attestation requirement
  - 73% perceive greater audit committees' confidence in internal control where auditor attestation is involved
  - 53% perceive financial reporting benefits from auditor attestation
  - 46% perceive ability to view and prevent fraud benefiting from auditor attestation
CORPORATE RESPONSIBILITY

- Onus for proper audit procedures and financial reporting on principal executive officer
- Internal Control Systems
  - Setting up appropriate Internal Control Systems proved to be costly and time-consuming
  - Established and maintained for reviews of companies' policies, procedures and technologies for preventing theft and fraud

MANAGEMENT ASSESSMENT OF INTERNAL CONTROLS

- SOX 404(a) Requires each annual report to contain an “internal control report” which shall
  - state the responsibility of management for establishing and maintaining an adequate internal control structure and procedures for financial reporting; and
  - contain an assessment, as of the end of the issuer’s fiscal year, of the effectiveness of the internal control structure and procedures of the issuer for financial reporting.
  - A disclosure of material weaknesses
INTERNAL CONTROL EVALUATION AND REPORTING

- SOX 404(b) states:
  - each registered public accounting firm that prepares or issues the audit report for the issuer shall attest to, and report on, the assessment made by the management of the issuer. An attestation made under this subsection shall be made in accordance with standards for attestation engagements issued or adopted by the Board. Any such attestation shall not be the subject of a separate engagement.

EXEMPTIONS

- Small public companies with less than $75 million in market capitalization are exempt from the requirement to obtain an external audit on the effectiveness of internal control over financial reporting as originally provided for in Section 404(b) of the Sarbanes-Oxley Act of 2002 by the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- Small public companies must still disclose the result of management attestations on internal control over financial reporting under existing Section 404(a).
RESPONSIBILITY FOR COMPLIANCE

- Principal executive officer or officers
- Principal financial officer or officers or
- Other persons performing the duties normally performed by such officers.
  - Have the onus for proper audit procedures and financial reporting

SOX 302

- Requires a certification by the responsible financial officers
  - Annually or
  - Quarterly
SOX 302 CERTIFICATION ELEMENTS

- The signing officer has reviewed the report;
- Based on the officer’s knowledge, the report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading;
- Based on such officer’s knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer as of, and for, the periods presented in the report.

SIGNING OFFICERS RESPONSIBILITY

- Establishing and maintaining internal controls
- Designing such internal controls to ensure that material information relating to the issuer and its consolidated subsidiaries is made known to such officers by others within those entities, particularly during the period in which the periodic reports are being prepared.
SIGNING OFFICERS RESPONSIBILITY CONT’D.

› Have evaluated the effectiveness of the issuer’s internal controls as of a date within 90 days prior to the report; and

› Have presented in the report their conclusions about the effectiveness of their internal controls based on their evaluation as of that date

SIGNING OFFICERS DISCLOSURE RESPONSIBILITIES TO AUDITOR’S AND AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

› All significant deficiencies in the design or operation of internal controls which could adversely affect the issuer’s ability to record, process, summarize, and report financial data and have identified for the issuer’s auditors any material weaknesses in internal controls; and

› Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer’s internal controls
SIGNING OFFICERS DISCLOSURE RESPONSIBILITIES TO AUDITOR’S AND AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

- Whether or not there were significant changes in internal controls or in other facts that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

SOX SECTIONS 303 AND 304

- **Section 303** prohibits any attempt to influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of an audit.

- **Section 304** requires the forfeiture of any bonuses or profits received by the chief executive officer or chief financial officer if there is material noncompliance of the issuer with any financial reporting requirement.
WHO IS A WHISTLEBLOWER

- One who provides information, causes information to be provided, or otherwise assists in an investigation regarding any conduct which the employee reasonably believes constitutes a violation of...any rule or regulation of the Securities and Exchange Commission, or any provision of Federal law relating to fraud against shareholders, when the information or assistance is provided to or the investigation is conducted by:
  - a Federal regulatory or law enforcement agency;
  - any Member of Congress or any committee of Congress;
  - or
  - a person with supervisory authority over the employee.

WHAT IS “WHISTLEBLOWING”? 

- To file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed ...relating to any alleged violation of ...any rule or regulation of the Securities and Exchange Commission, or any provision of Federal law relating to fraud against shareholders.
WHISTLEBLOWER PROTECTION

“No [public] company . . . , or any officer, employee, contractor, subcontractor, or agent of such company, may discharge, demote, suspend, threaten, harass, or in any other manner discriminate against an employee in the terms and conditions of employment because of [whistleblowing or other protected activity].”

DODD-FRANK ACT EXPANDS WHISTLEBLOWER PROTECTION

No [public] company ... including any subsidiary or affiliate whose financial information is included in the consolidated financial statements of such company, or nationally recognized statistical rating organization ... or any officer, employee, contractor, subcontractor, or agent of such company or nationally recognized statistical rating organization, may discharge, demote, suspend, threaten, harass, or in any other manner discriminate against an employee in the terms and conditions of employment because of any protected activity
DODD-FRANK ACT EXPANDS
WHISTLEBLOWER PROTECTION

› Expansion of the definition of “employee”
to include subsidiaries and statistical
rating organizations
› Extension of the statute of limitations for a
whistleblower to file a claim
› Creation of a “bounty” program to reward
a whistleblower

When a whistleblower tip leads to enforcement
actions where sanctions are greater than $1
million, the SEC must pay a bounty to the
whistleblower.
  ◦ The tip must be voluntarily provided
  ◦ The information must be “original,”
    • the whistleblower must have derived
      the information from “independent knowledge or
      analysis”
  ◦ The tip is not already known to the SEC
SUPREME COURT DECISION EXPANDS WHISTLEBLOWER PROTECTION EVEN FURTHER

› Now expanded to include employees and agents of contractors and subcontractors, even though those contractors and subcontractors may be private companies. [Lawson et al v. FMR LLC]

› DISSENT: The Court has expanded whistleblower protection to include any household employee of the millions of people who work for a public company and any employee of the hundreds of thousands of private businesses that contract to perform work for a public company.

WHAT DOES ALL OF THIS MEAN TO THE CREDIT PROFESSIONAL?
PREPARING FOR AN EXTERNAL SOX AUDIT

- Internal Audit
  - Conducted by a team of company experts - OR
  - Conducted by a private company hired for that purpose
  - Goal is to find issues ahead of an External or formal Audit
  - Examination of Accounting System and database
  - IT requirements
    - Access
    - Security
    - Change Management/ incidents
    - Backups/ Restores

ACCOUNTING SYSTEMS/ INTERNAL CONTROL SYSTEMS

- Access and Security
  - Access to file servers &/ or file server rooms
  - Passwords and/ or Pass keys
  - Entry logs
  - Unauthorized personnel [e.g. a/ c repair or maintenance, janitorial staff]
  - Laptop computers
  - Remote access
  - Encryption
ACCOUNTING SYSTEMS/INTERNAL CONTROL SYSTEMS

» Change Management
  ◦ New users
  ◦ Continuity
  ◦ Gaps in sequence
  ◦ Approval process
  ◦ Unique projects
    ▪ Special access

» Backups/Restores
  ◦ When
  ◦ Where
  ◦ Who has access

UPSTREAM CERTIFICATIONS

» Credit executives will not necessarily have all the knowledge of their company’s financial affairs to sign a Section 302 certification.

» Years after SOX has been in force, many credit executives are required to prepare and sign certifications of the credit department which are passed upward to the ultimate financial officer who must sign the certification for the public company.
DATA AND DOCUMENTS TO BE MAINTAINED

- SOX Requirement
  - In order to safeguard one’s own company from dissemination of any false financial information, it is essential to maintain records and a “chain of control” so that data and documents can be produced in the future with clear evidence regarding the origination, existence and current location of that data and documentation.

CREDIT DECISIONS BASES

- Credit Decisions should be Objective
  - Credit Applications and any company information provided with that credit application
- Credit Reports
- References
- Financial information
- Emails
  - Electronic transmissions should be archived
- Correspondence
CRITERIA ON WHICH CREDIT DECISIONS ARE BASED

- Credit Applications and any company information provided with that credit application
- Credit Reports
- References
- Financial information
- Emails
  - Electronic transmissions should be archived
- Correspondence

ALL DOCUMENTS ESTABLISHING A BUSINESS RELATIONSHIP

- Terms and Conditions
- Contracts
- Personnel records
- Emails
  - Electronic transmissions should be archived
- Correspondence
- Personal Guaranties
CREDIT SCORES

- Relatively recent system
  - Based on pure numbers
    - Concise and objective

- Provides a sound basis on which credit decision can be made

- Credit scores must be used in compliance with ECOA, FCRA & Dodd-Frank Act

DODD-FRANK ACT AMENDMENT IMPACTS FCRA AND ECOA COMPLIANCE

- Creditors that make adverse decisions based on information in an applicant’s consumer report must disclose
  - The numerical credit score used in taking the action
  - The range of possible credit scores under the model used
  - Key factors (up to 4) that adversely affected the consumer’s credit score and the model used
  - Date on which credit score was created
  - Name of the consumer reporting agency or other person or entity that provided the credit score or the credit file upon which the credit score was created
  - Statement explaining credit scores
SAMPLE Statement explaining credit score

A credit score is a number that takes into account information in a consumer report and that a credit score can change over time to reflect changes in the consumer’s credit history.

YOU ARE NOT REQUIRED TO DISCLOSE A CREDIT SCORE AND RELATED INFORMATION IF A CREDIT SCORE IS NOT USED IN TAKING THE ADVERSE ACTION.

DODD-FRANK ACT CHANGES TO ECOA NOTICE

IF YOU HAVE USED A CONSUMER CREDIT REPORT TO MAKE YOUR DECISION THEN THE FOLLOWING ADDITIONAL LANGUAGE MUST BE ADDED:

Our credit decision was based in whole or in part on information obtained in a report from the consumer reporting agency listed below. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you. You also have a right to a free copy of your report from the reporting agency if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you receive is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.
ACCOUNT/PORTFOLIO MANAGEMENT

- Periodic review of customers and receivables
  - Determine risks
  - Adjustment of Credit lines or high credit allowed
  - Ability to Track credit decisions/changes
- Bad debt reserve
- Simplicity of data management
- Document Credit Decisions
  - Storage of documentation
  - Accessibility of documentation

DESTRUCTION OF RECORDS

- Whoever knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States or any case filed under title 11, or in relation to or contemplation of any such matter or case, shall be fined under this title, imprisoned not more than 20 years, or both

- Any debt incurred in violation of securities fraud laws is not dischargeable
OFF-BALANCE SHEET TRANSACTIONS

- Contingent obligations
- Unearned discounts which have not yet been written off
- Discounts on a one-time transaction
- Personal or intra-corporate guaranties
- Recoupment or setoff agreements

WANDA BORGES

- WANDA BORGES, the principal member of Borges & Associates, LLC., has been specializing in commercial insolvency practice and commercial litigation representing corporate clients throughout the United States for an excess of thirty years.

- She is admitted to practice before the courts of the State of New York and the United States District Court for the Southern, Eastern, Northern and Western Districts of New York, the United States District Court for the District of Connecticut, the United States District Court for the Eastern District of Michigan, the Second Circuit Court of Appeals and the Supreme Court of the United States. She is a member of the American Bar Association, American Bankruptcy Institute, The Hispanic National Bar Association, The International Association of Commercial Collectors, International Women’s Insolvency and Restructuring Confederation, New York Institute of Credit and the Turnaround Management Association. As a member of the Commercial Law League of America, she is a Past President of the League, is a Past Chair of its Bankruptcy Section, served for six years on the Executive Council of the Eastern Region of the CLLA and is the Immediate Past Chair of the Executive Council of the CLLA Creditors’ Rights Section. She currently serves on the Board of Directors of the International Association of Commercial Collectors.
WANDA BORGES

- She is a regular lecturer for the National Association of Credit Management (NACM) and its various affiliates. She has prepared and continues to update courses on "Advanced Issues in Bankruptcy", "Basics in Bankruptcy", "Current Cases in Bankruptcy", "Creditor's Committees", "Credit and Collection Issues", Sarbanes-Oxley Act of 2002, "Litigation Issues" and "Antitrust Issues" which have been presented at past NACM Annual Credit Congresses and at trade credit association meetings. Even prior to the passage of the "Red Flags Rule", Ms. Borges worked with the NACM and the FTC to determine the applicability of the Rule to business creditors. Ms. Borges has prepared and presents seminars on the Red Flags compliance issues for the NACM, its various affiliates, corporations, collection agencies and various other organizations. Ms. Borges is a faculty member for the NACM's Graduate School of Credit and Financial Management at Dartmouth College. Ms. Borges has been a faculty member for the National Institute on Credit Management, a program jointly sponsored by the Commercial Law League of America and the National Association of Credit Management.

WANDA BORGES

- She has been a regular lecturer for the American Management Association on the Uniform Commercial Code and Fundamentals of Business Law for the Non-Lawyer, and for both the American Management Association, the Media Financial Management Association (formerly the Broadcast Cable Financial Management Association), The Broadcast Cable Credit Association AND Riemer Reporting Service on Creditor’s Rights in Commercial Litigation and Bankruptcy Matters. Additionally, she has presented seminars and webinars for the National Conference of Bankruptcy Judges, the American Bankruptcy Institute, The Commercial Law League of America, The International Association of Commercial Collectors, various local and national Bar Associations, Thomson West Publishing Company, and the New York State Food Service Distributors Association.
- Ms. Borges frequently presents live seminars, tele-seminars and webinars for various trade credit group, many of whom are managed by NACM Affiliate Associations. Additionally, she has prepared and presented these educational programs for the American Automotive Leasing Association, the National Chemical Credit Association, the National Cement Trade Credit Group, the Health Industry Manufacturers Association, the Beauty and Barber Manufacturers Credit Association, the New Hampshire Association of Broadcasters and the Credit Association for Satellite History.
She has served as the Managing Editor and still is one of the contributing authors of the Manual of Credit and Collection Laws published by the National Association of Credit Management and is a contributing author to its Principles of Business Credit. She is a member of NACM’s Editorial Advisory Committee. She is an Associate Editor for the Commercial Law League of America’s magazine “The Commercial Law World” and has contributed to the CLLA’s Law Journal and the Bankruptcy Section Newsletter. Her treatise Hidden Liens: Who is Entitled to What? was published in the Fall, 1998 Edition of the Commercial Law Journal. She has authored Antitrust, Restraint of Trade and Unfair Competition: Myth Versus Reality, published by the NACM. Ms. Borges is the lead author and Editor-in-Chief of Enforcing Judgments and Collecting Debts in New York published by Thomson West Publishing Company and updated annually. She routinely publishes articles for the National Association of Credit Management “Business Credit” magazine and has published articles for its “Fraud Prevention News”. Upon the passage of the BAPCPA in 2005, Ms. Borges prepared and presents educational programs on this new legislation and co-authored The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 – An Overhaul of U.S. Bankruptcy Law, published by the NACM.

She has published articles for the Broadcast Cable Credit Association “Creditopic” and the “The Financial Manager” on Commercial Creditors’ Rights in Bankruptcy, Bankruptcy issues generally, the FTC’s Red Flags Rule, the ECOA and Regulation B, Electronic Invoicing, “Dot Com” Businesses, and on Advertiser/Agency Liability; and has prepared the “white paper” on the discontinuance of notarization of broadcast invoices. She is a co-author of the National Association of Broadcasters’ book Out of the Red and into the Black, as well as the Broadcast Cable Credit Association’s Credit & Collection Handbook. Ms. Borges has appeared as a guest on the Fox News Channel program, “Fox on Consumers”, speaking on consumer bankruptcy exemptions. In February, 2010, Ms. Borges prepared and presented a program entitled “Avoiding Bankruptcy Pitfalls: Creditors’ Rights and Professional Obligations in Bankruptcy Proceedings” for the Georgia Bar Association and the Institute of Continuing Legal Education in Georgia which was televised live and telecasted to satellite locations throughout the State of Georgia.
WANDA BORGES


- She is a past Chair of the Board of Trustees of Mercy College and served as a member of that board for nine years. She has served on the board of Regents College, and has taught Business Law at Seton College in Westchester County, New York. She is a past Chair of the Broadcast Cable Financial Management Association.

WANDA BORGES

- Ms. Borges actively participates in community events. She is a Leader of Song and has directed the Youth Music Ministry at her parish, Our Lady Star of the Sea. She remains a member of the Fairfield County Chorale for which she served as its president for the years 1995 through 1997 and most recently served as a director and Executive Vice-President of the Fairfield County Chorale during the years 2012 through 2013.

- She received the "Human Valor" Award by Noticias del Mundo, a New York based Spanish-language newspaper in 1985; the Mercy College Alumni Association's "Professional Achievement" Award in 1991, honorary membership in Delta Mu Delta – The National Honor Society in Business Administration – in May, 1995 and in October, 1996, was awarded the Mercy College Trustee's Medal for outstanding dedication to her profession and alma mater. She is listed in Who's Who of American Women. In September, 2000 she was named one of the "50 Outstanding Alumni" of Mercy College. In February, 2001 she received the "Career Achievement Award" from the Broadcast Cable Credit Association. In May, 2004, she received the "Strength In Numbers Recognition Certificate" from the NACM. In December 2006, she was named one of "2006 Top 25 Most Influential Collection Professionals" by Collection Advisor Magazine. Ms. Borges was recently inducted into Mercy College's Alumni Hall of Fame celebrating its 60th year in existence. In November, 2010, Ms. Borges received the "Robert E. Caine Award for Leadership" from the Commercial Law League of America. Ms. Borges has been included on the New York Super Lawyers – Metro Edition list (Bankruptcy & Creditor/Debtor Rights) each year since 2009. Ms. Borges received a "Woman of Distinction" Award from St. Catharine Academy in April, 2015.