

1199SEIU

United Healthcare Workers East
Massachusetts Division

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DIRECTOR
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To BIDMC Board of Directors:

VICE PRESIDENTS
Enid Eckstein - at Large
Jerry Fishbein
Veronica Turner

1199 SEIU is committed to holding health care providers accountable to the communities they serve and to their charitable missions. We write to raise a concern about Robert Jaffe, a member of the Beth Israel Deaconess Medical Center (BIDMC) Board of Overseers. The Board may wish to determine whether these concerns potentially interfere with his ability to perform his duties as an overseer of BIDMC.

POLITICAL DIRECTOR
Tim Foley

Overseers are charged with acting as goodwill ambassadors on behalf of BIDMC and are supposed to “demonstrate significant interest in and support for [BIDMC] and its charitable mission.”¹ If an individual is unable to fulfill such a role, it raises questions about whether he or she should continue to serve on the board.

Hundreds of Massachusetts investors, including several major donors to BIDMC and members of the BIDMC Board of Overseers,² may have been victims of Bernard Madoff’s alleged Ponzi scheme.³ According to the Boston Globe, Jaffe raised millions of dollars for Madoff.⁴ Jaffe worked for Cohmad Securities, a firm that Massachusetts Secretary of State William Galvin has moved to shut down because of its ties to Madoff.⁵ Moreover when Jaffe was called to testify before the Secretary of State, the Boston Globe reported that he twice failed to appear to testify and that when he appeared to testify, he invoked his Fifth Amendment right.⁶

¹ BIDMC Bylaws, section 13.1 and 13.4.2 dated June 19, 2003.

² Madoff Victim List, *The New York Post*, February 4, 2009, accessed online at http://www.nypost.com/seven/02042009/news/madoff_victim_list.pdf.

³ “Mass. Financiers on Madoff client list,” *Boston Globe*, February 6, 2008; “Boston donors bilked out of millions: Trader accused of \$50 billion con game; One nonprofit closes; others may suffer,” *Boston Globe* December 13, 2008.

⁴ “Bernie Madoff’s man to see,” *Boston Globe*, December 21, 2008.

⁵ “In The Matter of Cohmad Securities Corporation: Administrative Complaint and Ex Parte Motion for an Order Summarily Suspending Registration as a Broker-Dealer,” Docket No. 2009-0015, Commonwealth of Massachusetts Office Of The Secretary Of The Commonwealth, Securities Division, February 11, 2009.

⁶ “Jaffe appears for Mass. Securities inquiry,” *Boston Globe*, February 5, 2008. “Galvin seeks to shut down firm with Madoff ties,” *Boston Globe*, February 11, 2009.

While Jaffe's role in the alleged scheme is yet to be determined, you may wish to conduct your own investigation to determine whether the allegations are true and, whether, regardless, they adversely impact his ability to effectively serve as an Overseer of BIDMC.

Given current scrutiny of nonprofit hospitals, as fiduciaries of BIDMC entrusted with overseeing the charitable mission of the institution, if you determine that these allegations adversely affect Jaffe's service, you may wish to remove him from the Board of Overseers if he has not already resigned.

Please feel free to contact me at (617) 284 -1199 to further discuss this matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Mike Fadel".

Mike Fadel
Executive Vice President

cc: Board of Overseers