

IN THE EXECUTIVE ETHICS COMMISSION
OF THE STATE OF ILLINOIS

In re: DONALD BLAIR) OEIG Case # 08-01132

OEIG FINAL REPORT (REDACTED)

Below is a final summary report from an Executive Inspector General. The General Assembly has directed the Commission to redact information from this report that may reveal the identity of witnesses, complainants or informants and “any other information it believes should not be made public.” 5 ILCS 430/20-52(b).

The Commission exercises this responsibility with great caution and with the goal of balancing the sometimes competing interests of increasing transparency and operating with fairness to the accused. In order to balance these interests, the Commission may redact certain information contained in this report. The redactions are made with the understanding that the subject or subjects of the investigation have had no opportunity to rebut its factual allegations or legal conclusions before the Commission.

The Executive Ethics Commission (“Commission”) received a final report from the Governor’s Office of Executive Inspector General (“OEIG”) and a response from the agency in this matter. The Commission redacted the final report and mailed copies of the redacted version and responses to the Attorney General, the Governor’s Executive Inspector General and to Donald Blair at his last known address.

These recipients were given fifteen days to offer suggestions for redaction or provide a response to be made public with the report. The Commission, having reviewed all suggestions received, makes this document available pursuant to 5 ILCS 430/20-52.

ALLEGATIONS

The Office of Executive Inspector General (OEIG) received a complaint alleging fraud. Specifically, the complaint alleged that an Illinois Department of Human Services (DHS) caseworker, ultimately identified as Donald Blair (Blair), assisted DHS client [name redacted, hereinafter referred to as “Jane Doe”] in defrauding the State. The OEIG concludes that this allegation is FOUNDED. During the course of the investigation, the OEIG also discovered that Blair caused multiple other clients to defraud the State in a similar fashion, violated food stamp calculation policies, and failed to cooperate with the OEIG’s investigation.

EXECUTIVE SUMMARY REPORT

In its investigation, the OEIG interviewed [various employees]. Documents examined included Doe’s DHS case file, DHS Recipient Ledgers, and spreadsheets created by DHS to display the

results of a sample audit.

The OEIG legal analysis is based, in part, upon: DHS Employee Handbook, Sections V-1 and V-2; the Illinois State Officials and Employees Ethics Act; and Administrative Order # 6.

Following due investigation, the OEIG issues these findings:

- **FOUNDED** – Blair engaged in fraudulent activity and administrative malfeasance by authorizing the receipt of food stamp benefits by Doe, as well as other clients, in excess of what they were otherwise entitled to receive in violation of DHS policies.
- **FOUNDED** - Blair failed to use the formula mandated by DHS to account for ongoing eligibility in violation of DHS' Worker's Action Guide and the Policy Manual for Cash, Food Stamp, and Medical Assistance Programs.
- **FOUNDED** – Blair was untruthful and thus failed to cooperate with the OEIG in violation of the Ethics Act, Administrative Order # 6, and the DHS Employee Handbook.

RECOMMENDATIONS

Based upon the evidence, the OEIG recommends that Blair be discharged with no right to reinstatement with any State agency, or face such discipline as is commensurate with the serious nature of his misconduct and violations - engagement in fraudulent activity, violating food stamp calculation policies, and failure to cooperate with the OEIG in its investigation of these matters. The OEIG also recommends that DHS seek to recoup the money Doe was overpaid during this period, which the OEIG estimates to be at least \$3,684.¹ Moreover, the OEIG strongly urges DHS to conduct a more extensive audit of Blair's other cases to determine where there may be similar miscalculations, correct these errors, and request appropriate restitution.

Additionally, the OEIG refers this case to the Office of the Attorney General and the Illinois Department of Healthcare and Family Services to evaluate Blair's and Doe's conduct in regards to official misconduct and state benefits fraud.

SUMMARY OF INVESTIGATION

Blair has been with DHS for about ten years, most recently as a caseworker at the Southeast Family Community Resource Center (SFCRC) determining eligibility for food stamps and medical benefits.² Blair explained that his duties primarily entailed deciding whether prospective clients were eligible for benefits based on an analysis of their income, family size, and living expenses. He reported that he was trained on the procedures for computing eligibility

¹ The OEIG arrived at this total by adding the sums described in this Report as overpayments between February 2000 and January 2009 (\$2,052 + \$1,632). Doe may also owe the State up to an additional \$337 (the amount Doe received in February 2009) if DHS finds that Doe was not entitled to any portion of that allotment.

² Blair became a caseworker around 2000.

as recently as January or February 2008. Blair told the OEIG that he conducted semi-annual reviews using a Client Clearance Sheet, the client's application for benefits, proof of recent income (paystubs), and documentation of any other additional income - such as child support or social security benefits - to determine continued client eligibility.

Case of Jane Doe

According to the complainant, Blair and Doe defrauded the State by using fake paystubs as proof of earned income to determine Doe's eligibility. However, as the OEIG investigation proceeded, investigators learned that instead, Blair disregarded the paystubs Doe submitted in support of her applications.

[An employee] reviewed Doe's case file and was unable to explain the discrepancies in Blair's income calculations. [The employee] said that documents in the file proved that Blair completed Clearance Checks for the recertifications. Included in the case file assembled by Blair were Automated Wage Verification Screens (AWVS), which indicated that Doe earned a significantly higher salary than she reported on her applications. [The employee] confirmed that Blair was supposed to use Doe's most recent paystubs, as well as any other available data, to calculate income and determine eligibility. Thus, [the employee] believed that Blair should have been concerned when the wages found on AWVS appeared to be consistently higher than those on her applications, and should have requested an employment verification to confirm which estimate of Doe's income was accurate.

Consequently, the OEIG evaluated Doe's semi-annual reviews that fell within the OEIG's one-year statute of limitations, i.e., February and July 2008, as well as, February 2009. The observations from this evaluation are detailed below.

1) February 2008

Doe completed an Application for Food Stamps on January 29, 2008. On this application, she reported her income in two ways. First, she said that she was paid \$12 an hour for 34 hours of work each week. Her application also conveyed that she earned a gross amount of \$792 biweekly.³ In support of her claim, Doe submitted two paystubs documenting her earnings during January 2008. The paystubs showed that she received \$1,208.90 on January 11, 2008, and \$1,109.00 on January 25, 2008, as gross pay. Blair inputted \$1,702.00 into the Food Stamp Allotment Prospective Benefit Calculation (Benefit Calculation) as Doe's total monthly earned income, which resulted in a \$397 food stamp allotment per month.

[The employee] and Blair explained that to calculate earned income, the caseworker should average the paystubs a client received during the month preceding the redetermination period and multiply that amount by 2.15.⁴ The resultant amount represents the client's estimated monthly earned income. Using this formula, [the employee] demonstrated to the OEIG

³ \$792 is listed on Doe's January 11, 2008 paystub as her "regular" earnings for that pay period. She then however also received over \$400 in other types of earnings including differential, PTO, weekend, or misc., amounting to a total of \$1,208.90.

⁴ This is the method used when the client is paid biweekly because it accounts for some months where the client could receive a third paycheck under this pay system.

that Blair should have reported Doe's income as \$2,489 per month for the February recertification period.⁵ He then estimated that Doe should have only received around \$50-\$55 per month in food stamps based on that income.

Blair told the OEIG that he calculated Doe's earned income by multiplying her hourly pay rate (\$12) by the 34 hours a week she claimed to work (equaling \$408), and then by two weeks for a total of \$816 per pay period. Finally, he took that amount and multiplied it by 2.15. However, when he used this calculation at his interview, he arrived at a total of \$1,754, which was not the number recorded on the application or in the Benefit Calculation. Instead, it appears that Blair took the other figure listed on Doe's application (\$792) and simply multiplied it by 2.15 to arrive at his total of \$1,702. Blair maintained that he used the income information provided by Doe to calculate his results because Doe allegedly reported that her hours at work had been reduced. After the OEIG investigator showed Blair AWVS information from Doe's Clearance Sheet, which indicated that Doe seemingly had more income than she reported, Blair acknowledged that he had not considered any of the data from her Clearance Sheet or her paystubs. He confirmed that he was unaware of any DHS policies which would have permitted him to exclude differential, overtime, or weekend pay while calculating Doe's income. Moreover, Blair admitted that he knew he had to complete a "Request for Employment Verification" when he doubted the accuracy of a paystub. He reiterated that he did not verify income in this case because he relied on Doe's assertions; he subsequently acknowledged that his inaction resulted in an overpayment to Doe.⁶

2) July 2008

Doe's Food Stamp Application for the July 2008 recertification period was completed on July 21, 2008. On this occasion, Doe again reported gross income in two ways. First, she claimed that she received \$1,900 in gross pay for working 36 hours a week. She also said that she earned a biweekly gross amount of \$864. Doe submitted the two requisite paystubs, which reported that she was paid \$993.05 on June 13, 2008, and \$1,000.11 on June 27, 2008. Blair reported Doe's monthly earned income at \$1,857.00. [An employee] calculated Doe's earned income using the previously described calculation and arrived at a total of \$2,141.⁷ [The employee] once more estimated that Doe should have only been awarded a food stamp allotment of about \$50-55 per month.

Blair explained that he used the same method to compute gross pay for Doe during this certification period (multiplying hourly wage by the number of hours Doe reportedly worked) as he did in February 2008. He also claimed that he used a multiplier of 2, rather than 2.15 on this occasion. However, that formula would not result in the sum Blair ultimately found. Instead, it appears that Blair actually took the \$864 figure from the application and multiplied it by 2.15 to

⁵ This amount was found by averaging her two paystubs $(\$1,109 + \$1,208) / 2 = \$1,158$ and multiplying it by 2.15 to arrive at a gross monthly total of \$2,489 for earned income (after dropping the cents at each point of the calculation).

⁶ For the recertification period of February 2008-July 2008, it appears Doe may have been overpaid by approximately \$2,052. The overpayment resulted when she received \$397/month for six months (total of \$2,382) instead of \$50-55/month (equaling \$330 if the maximum was used). Please note that this figure is merely an approximation based on what [the employee] thought she would have been entitled to if her paystubs were used to calculate income.

⁷ [The employee] averaged her two paystubs $(\$993 + \$1,000) / 2 = \$996$ and multiplied it by 2.15 to arrive at a gross monthly total of \$2,141 for earned income after dropping the cents at each point of the calculation.

get the \$1,857 he reported as her monthly earned income in the Benefit Calculation. This income gave Doe a food stamp allotment of \$327 per month.⁸

The OEIG investigator showed Blair the Clearance Sheet and AWVS to emphasize that the case file contained data indicating that Doe earned income exceeding what was reported. Blair acknowledged that he had a duty to utilize all information available to him when he determined a client's eligibility. Blair subsequently admitted that he should have initiated a "Request for Employment Verification" if Doe's income was questionable. He acknowledged that he failed to take this action when the data available to him should have made him question Doe's reported income.

3) February 2009

In his initial interview with the OEIG, Blair told the investigator that he reviewed Doe's Clearance Sheet when she came to the office for a redetermination appointment on February 5, 2009, noted her AWVS earnings, questioned the accuracy of her reported income, and initiated a "Request for Employment Verification." He said that he took this action because Doe failed to provide documentation in support of her application, instead merely claiming a gross income of \$1,000 biweekly, for 40 hours of work per week. Blair maintained that he told Doe to return to his office by February 17 with proof of income, rent, and daycare receipts. Blair reported that Doe's food stamp benefits would end in February 2009 unless she produced this documentation.

Blair was unable to articulate why this particular redetermination application raised concerns in his mind when others had not, despite availability of the same data at each appointment.

The OEIG contacted [the employee] on February 26, 2009, to inquire about Doe's case status for the February recertification period. [The employee] informed the OEIG that the DHS database showed that someone (later confirmed to be Blair) processed a food stamp payment of \$236 for Doe on February 1, 2009. In addition, on February 14, 2009, Blair also entered a supplemental food stamp payment of \$101 for Doe.⁹ [The employee] said that when he questioned Blair about these transactions, Blair replied that he wanted food stamp payments to continue for Doe, without interruption, even though the case file lacked all of the requisite supporting documentation. At that time, [the employee] confirmed that Doe was scheduled to receive a monthly food stamp allotment of \$345 on March 1, 2009, and that her payments had been recertified through June 2009. [The employee] reported that Doe's case file only contained the application itself, which claimed that Doe had a gross biweekly income of \$1,000. [The employee] opined that the case file lacked documents supporting the actions Blair took at that point.

⁸ Between August 2008 and January 2009, using the July 2008 recertification figures, it appears that Doe was overpaid by about \$1,632 when she reportedly received \$327/month for six months (total of \$1,962) instead of \$50-55/month (equaling \$330 at most). This is only a rough estimate of overpayment based on what [the employee] thought Doe would have been entitled to if these paystubs were used to calculate income.

⁹ DHS/HFS should thus also consider whether Doe was entitled to any part of the \$337 she received in February 2009 when considering the proper amount for which to seek recoupment.

OEIG Interviews

During his first interview on February 25, 2009, Blair stated that he had no relationship with Doe beyond that of a DHS caseworker. Moreover, he refuted the insinuation that he maintained contact with Doe outside the workplace. He also denied intentionally miscalculating Doe's income so that she could receive excess benefits.

The OEIG interviewed Blair again on February 27, 2009, to clarify certain matters. After the investigator confronted Blair about his previous interview, Blair acknowledged that he falsely told the OEIG that Doe was not certified for benefits after February 2009. He admitted that he failed to inform the investigator that he had personally initiated a "Request for Supplemental Payment" for Doe on February 14, 2009, and recertified Doe for food stamp allotments between March 1, 2009, and June 31, 2009, at a rate of \$345 per month, even though Doe had not provided the required documentation and he had not received verification of her employment. Blair explained that he simply used the \$1,000 income estimate Doe reported on her application on February 5, 2009, to award benefits through June. He also acknowledged that he knew Doe was in recoupment for prior overpayments when he approved the supplemental payment.¹⁰

Blair confessed that he consciously violated DHS policy when he recertified Doe for food stamps without the requisite documentation. He explained that he took these actions because he wanted to ensure that Doe received benefits, without interruption, in order to support her family. He conceded that Doe could be banned for life from receiving benefits if she defrauded the State for excess funds. Blair then claimed that he went into the DHS system on February 26, 2009, to stop Doe's March payment.

After this interview, the OEIG investigator called [the employee] to confirm that the payment to Doe for March had indeed been discontinued. [The employee] verified that payment was stopped; however, he declared that Blair did not voluntarily take this action. Instead, [the employee] stated that he ordered Blair to stop the payment after [the employee] reviewed Doe's Recipient Ledger Inquiry screen and realized that Blair certified Doe for payments without any supporting documents.

Sample Audit of Blair's Caseload

During his second interview with the OEIG, Blair also revealed that he knowingly violated DHS policy on other occasions when he computed gross pay or standard income inaccurately for other clients in his caseload who received food stamp benefits. However, he was unable to estimate the number of cases in which he intentionally miscalculated client income. Subsequent to this revelation, the OEIG requested that [the employee] initiate an audit of Blair's caseload in an attempt to gauge the potential magnitude of these miscalculations. [The employee] assigned one of his senior supervisors to perform this task and later forwarded the results to the OEIG.

¹⁰ Doe's DHS case file shows that she was repaying the State for over \$11,000 in excess food stamps she previously received. As a result, the State generally recoups about \$39 from Doe's food stamp allotment each month.

For this audit, the assigned supervisor at SFCRC reviewed 15 cases chosen at random from the 900+ cases in Blair's caseload. [The employee] explained that these cases were each between one and six months into their respective six-month eligibility periods, and that the overpayment amounts reported to the OEIG only encompassed the allotments distributed during the certification period in progress at the time of the audit. The results of this audit revealed that 13 out of 15 cases contained some type of caseworker error. In 7 of these cases, clients were overpaid when Blair (1) budgeted inaccurate earned income totals by disregarding paystubs or reporting that the client had no income when AWVS showed earned income, or (2) completely excluded unearned income, such as unemployment insurance benefits, from his calculations. The supervisor also found several cases in which a client was underpaid or where there were administrative caseworker errors that did not result in monetary loss, but caused a file to be inaccurate nonetheless. The supervisor gave the OEIG figures which ultimately indicated that the financial loss to the State during that recertification period for the seven cases with overpayments amounted to about \$2,458 at the time the audit occurred.¹¹

ANALYSIS

I. Fraud and Misrepresentation

The DHS Handbook, Section V-1 entitled *Employee Personal Conduct* says:

An employee holds a position of public trust and is expected to conduct himself/herself in a responsible, professional manner, refraining from conduct which could adversely affect the confidence of the public. An employee who violates the public trust or fails to conduct himself/herself in a professional manner is subject to discipline up to and including discharge. The rules of professional conduct include, but are not limited to, the following:

1. an employee shall not participate in or condone fraud, dishonesty, or misrepresentation of duties.

Fraud is defined in Black's Law Dictionary in part as "a knowing misrepresentation of the truth or concealment of a material fact to induce another to act to his or her detriment."¹²

Similarly, the DHS Employee Handbook, Section V-2 on the *Performance of Duties* further states:

¹¹ The OEIG calculated this sum after the SFCRC supervisor sent the projected statewide monetary loss he found using the DHS Quality Control Unit's method to compute these types of errors. [The employee] explained that DHS took the true estimated overpayment total and multiplied it by 7423 to arrive at their sum. Thus, the OEIG divided DHS' figures by 7423 to arrive at an actual estimated overpayment amount of \$2,458

¹² Black's Law Dictionary (8th ed. 2004), fraud.

State law requires that staff follow the rules and regulations of the Department in the performance of their duties. Employees who willfully misappropriate resources, misuse their position, fail to report fraud or perform other unlawful actions may be guilty of administrative malfeasance...

Blair violated these policies by helping Doe commit a fraud¹³ while misusing his position, misappropriating resources, and acting in a manner which undermines the public's confidence in DHS.

Misrepresentation

Blair knowingly misrepresented the truth and concealed material facts by authorizing food stamp benefits for Doe while he knew the information he entered into the DHS database and used to calculate her eligibility was false or incomplete.¹⁴ Blair took income figures from Doe's applications without reviewing other information he had (AWVS data, paystubs, etc...) that clearly raised doubts about the amounts she reported, especially when her applications repeatedly contained multiple income estimates. Ultimately, Blair acknowledged that he failed to follow DHS policy, which required him to use this supplemental information while determining eligibility.

Moreover, Blair voluntarily confessed that he misrepresented the income of multiple other clients while knowing these actions violated DHS policy. Thus, because Blair knew that he inputted erroneous income totals for Doe and various other clients at the time that he authorized their benefits, there is compelling evidence that Blair deliberately misrepresented the truth and attempted to conceal material facts while performing his assigned duties. Furthermore, Blair was only able to proceed with this endeavor because of his official position as a DHS caseworker tasked with the duty of determining benefit eligibility. Therefore, Blair also took advantage of his position as a DHS employee with authorization to issue food stamp benefits in order to personally aid Doe and other clients by misappropriating resources that may have been properly allocated to others.

Intentional Inducement

Next, Blair intended DHS to act based on his misrepresentations. Since Blair was an experienced DHS caseworker, he was aware that failing to include a client's income in its entirety could increase the amount of food stamp benefits a client could receive. Moreover, Blair's allegedly altruistic motive for his actions — that he wanted Doe's family to retain uninterrupted benefits — emphasized this intent. Clearly, this statement shows that he knew that Doe would not have received most of these benefits without his assistance. He intentionally acted upon that understanding by entering false data which resulted in the misappropriation of State resources which could have been used elsewhere. Accordingly, it is reasonable to assume that Blair expected DHS to act in reliance on his misrepresentations.

¹³ Even if Blair's actions ultimately do not rise to the level of criminal fraud, the OEIG finds that his conduct constitutes at least "misrepresentation" as intended by DHS policies.

¹⁴ Thus, Blair's actions may have also violated Section V-2, the *Reporting of Alleged Employee Misconduct*, because he falsified official records by inputting data he knew was incomplete or inaccurate.

Detrimental Reliance by DHS on Blair's Misrepresentation

Third, DHS understandably relied on Blair's misrepresentations as it expects employees to follow DHS policy and applicable State laws. Due to the size of the agency and the large number of food stamps applications DHS processes at any given time, DHS reasonably depends on its employees to accurately and lawfully perform their assigned duties.

Furthermore, DHS and the State of Illinois suffered loss as a result of reliance on Blair's misrepresentations. Blair's clients would not have been eligible for a significant portion of the food stamp benefits they received if not for Blair's deliberately inaccurate benefit calculations. Effectively, Blair's actions resulted in the misappropriation of State resources as these benefits went to clients who may have been ineligible for the subsidy, instead of others who were rightly entitled to that payment. The OEIG has determined that the estimated overpayment to Doe was at least \$3,684. In addition, the sample audit conducted by the SFCRC suggests that the State of Illinois paid seven of Blair's clients a total of at least \$2,458 more than that to which they were entitled based on Blair's miscalculations.

Moreover, DHS suffered damage to its reputation based on Blair's conduct, which was clearly unprofessional and constituted a serious breach of the public's confidence. Blair was aware of DHS's policies, but proceeded to use his position with DHS to certify Doe and multiple other clients for benefits in excess of what they were otherwise entitled, thus also misappropriating resources. This behavior impedes DHS's goal of protecting the public's trust in the agency and could also amount to administrative malfeasance under the DHS Employee Handbook.¹⁵ These matters are especially of concern during an economic downturn during which time State benefit programs have been questioned, and their employees closely scrutinized. Accounts of abuse and mismanagement of State funds, such as is evident in this case, could persuade lawmakers to further reduce State funding for benefit programs.

Conclusion on Fraud and Malfeasance

For the reasons stated above, there is ample evidence to show that Blair engaged in fraudulent activity and administrative malfeasance by authorizing the receipt of food stamp benefits by Doe, as well as other clients, in excess of what they were otherwise entitled to receive, in violation of DHS policies. Therefore, the allegation that Blair assisted his clients, including Doe, in defrauding the State is **FOUNDED**.

II. Violating DHS Procedure on Determining Food Stamp Eligibility

The DHS Worker's Action Guide (WAG) and the Policy Manual (PM) for Cash, Food Stamp, and Medical Assistance Programs, contain explicit details on how a DHS caseworker is supposed to budget income in order to determine eligibility for benefit programs. When budgeting for ongoing eligibility, the caseworker is supposed to use the "best estimate of income."¹⁶ For cases such as Doe, the caseworker should use the following formula to

¹⁵ DHS Employee Handbook, Section V-2 on the *Performance of Duties*.

¹⁶ WAG 13-02-03; PM 13-02-03, on "Budgeting for Ongoing Eligibility and Benefit Amount."

determine the average pay amount from her individual paychecks: "drop cents from each individual pay and total the paychecks received in the 30 days prior to application...or reported on the most recent Form 4765...Divide the total by the number of paychecks received." Then, in order to convert the average pay to a monthly amount, a caseworker must "take the average biweekly amount..., drop cents, and multiply the amount by 2.15. The result is the amount to budget monthly."

In this case, Blair freely admitted that he was aware of this formula, but chose to ignore the paystubs Doe submitted with her application. Doe never completed a Form 4765 and was required to provide proof of earned income, such as a paystub. Because Doe provided a pay stub, Blair had the information he needed to incorporate her actual numbers into the formula described above. While there is another provision of these manuals which allows the caseworker to rely on "the client's statement of rate of pay, hours of work, and number of expected paychecks" when a change in earnings is anticipated, the totals Blair ultimately inputted into the Benefit Calculations as earned income did not reflect those figures, even though he claimed that he calculated income in that fashion. Instead, the numbers prove that Blair simply took a figure written on an application (separate from the hourly rate) at face value, without verifying any of the data as presented to him at that time. Because he did not actually use the rate of pay and hours Doe specifically reported on her application, Blair should have used the normal method for calculating income. Furthermore, Blair acknowledged that he had a duty to use all available information to make a determination of eligibility and an additional obligation to request employment verification if the income reported on the application did not appear to be accurate. He failed to perform these duties on at least three occasions. Therefore, there is sufficient evidence to determine that Blair failed to use the formula mandated by DHS to budget for ongoing eligibility, in violation of specific food stamp policies.

III. Non-Cooperation

Under the Ethics Act, Administrative Order #6, and DHS rules, Blair had an obligation to cooperate with, and provide assistance to, the OEIG.¹⁷ However, Blair was untruthful and failed to fully cooperate with the OEIG during its investigation, as he made multiple statements which were contradicted by both his own later statements, and by evidence uncovered in the OEIG investigation.

Following are some of the statements Blair made which were contradicted by subsequent evidence: (1) he used Doe's stated hourly wage and multiplied it by the number of hours she claimed to work in order to determine her earned income; and (2) he did not intentionally miscalculate Doe's income. Moreover, Blair insinuated that he stopped the payment scheduled to go to Doe in March, 2009 on his own accord the day after his first OEIG interview. However, [the employee] instead maintained that he ordered Blair to do so upon learning that Blair improperly authorized payment.

¹⁷ 5 ILCS 430/20-70; Administrative Order # 6, (2003), "Procedures for Investigating and Reporting Misconduct and Incidents at State Facilities" under "Responsibilities of Agencies, Directors, and Employees," and "Duty to Cooperate;" and the DHS Employee Handbook, Section V-1 entitled *Employee Personal Conduct, rule 2.*

In addition, some of Blair's responses changed in his second OEIG interview, after he was confronted with evidence that contradicted statements he made during his first. For example, (1) Blair initially said that Doe's benefits ended in February 2009, but later acknowledged that he in fact certified Doe for benefits through June 2009. He even authorized a supplemental payment less than two weeks before his initial interview, while aware that he was recertifying without supportive documentation in violation of DHS rules; (2) at first he explained that was unaware that Doe had received overpayments in the past, then admitted that he knew Blair owed the State money and was thus in recoupment for an excess of \$10,000; and (3) while Blair originally implied that he never intentionally miscalculated income in his job, he subsequently confessed that he deliberately violated DHS policy on multiple occasions by incorrectly calculating income for other clients.

Blair's statements to the OEIG were untruthful and served to hinder the OEIG's attempt to ascertain the truth about the allegations. Moreover, Blair intentionally omitted key information germane to the investigation during his first interview. Therefore, there is adequate evidence to conclude that Blair failed to cooperate with the OEIG's investigation, in violation of the Ethics Act, Administrative Order #6, and the DHS Employee Handbook.

CONCLUSION AND RECOMMENDATION

The OEIG makes the following conclusions:

- **FOUNDED** – Blair engaged in fraudulent activity and administrative malfeasance by authorizing the receipt of food stamp benefits by Doe, as well as other clients, in excess of what they were otherwise entitled to receive in violation of DHS policies.
- **FOUNDED** - Blair failed to use the formula mandated by DHS to budget for ongoing eligibility in violation of DHS' Worker's Action Guide and the Policy Manual for Cash, Food Stamp, and Medical Assistance Programs.
- **FOUNDED** – Blair was untruthful and thus failed to cooperate with the OEIG in violation of the Ethics Act, Administrative Order # 6, and the DHS Employee Handbook.

RECOMMENDATIONS

Based upon the evidence, the OEIG recommends that Blair be discharged with no right to reinstatement with any State agency, or face such discipline as is commensurate with the serious nature of his misconduct and violations - engagement in fraudulent activity, violating food stamp calculation policies, and failure to cooperate with the OEIG in its investigation of these matters. The OEIG also recommends that DHS seek to recoup the money Doe was overpaid during this period, which the OEIG estimates to be at least \$3,684.¹⁸ Moreover, the OEIG strongly

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urges DHS to conduct a more extensive audit of Blair's other cases to determine where there may be similar miscalculations, correct these errors, and request appropriate restitution.

Additionally, the OEIG refers this case to the Office of the Attorney General and the Illinois Department of Healthcare and Family Services to evaluate Blair's and Doe's conduct in regards to official misconduct and state benefits fraud.

in February 2009) if DHS finds that Doe was not entitled to any portion of that allotment.

Pat Quinn, Governor



Michelle R.B. Saddler, Secretary

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January 14, 2010

Mr. James A. Wright
Executive Inspector General
Office of the Executive Inspector General
for the Agencies of the Illinois Governor
32 West Randolph Street, Suite 1900
Chicago, Illinois 60601

RE: OEIG Complaint No: 08-01132

Dear Inspector General Wright:

In response to the aforementioned complaint regarding the investigation of Donald Blair, a DHS Human Services Caseworker at the Southeast Family Community Resource Center (FCRC). On December 04, 2009, DHS advised the OEIG that a pre-disciplinary/pre-suspension hearing was conducted on December 01, 2009. On December 01, 2009 the OEIG's final report was presented to Mr. Blair and Union Representation, and appropriate time given for his rebuttal. On December 16, 2009, the OEIG requested an appended response to the original December 04, 2009 response.

Effective December 19, 2009, Mr. Blair was suspended pending discharge and will be discharged from State services. DHS' Personnel unit has also informed the Bureau of Recruitment and Selection, our hiring arm, to ensure that the subject is never called from any hiring lists in accordance with the OEIG's recommendation and he be afforded no reinstatement rights.

The Southeast FCRC has also undertaken a review of the [name redacted] and other cases from the subjects caseload to determine whether or not similar acts of either fraud or negligence have taken place and is in the process of completing overpayments and other corrections in accordance with the OEIG's restitution recommendation. To date, the Southeast FCRC has identified and processed overpayments for at least 5 cases in addition to the [] case. There will be more overpayments to follow. Lastly, the FCRC and Regional staff are working with Bureau of Policy and Procedures to address the proposed policy changes recommended.

Sincerely,

Michelle R.B. Saddler
Secretary

cc: Grace Hong Duffin, Chief of Staff
File