

IN THE EXECUTIVE ETHICS COMMISSION
OF THE STATE OF ILLINOIS

In re: GLADYS MUNIZ) OEIG Case # 10-0167

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 the report’s 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 Gladys Muniz at her 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.

FINAL REPORT

I. Allegations

The Office of Executive Inspector General (“OEIG”) received a complaint alleging that Illinois Department of Human Services (“DHS”) employee Gladys Muniz did not require three DHS customers to sign DHS Form 3658 before she issued them expedited LINK benefit cards. The complaint also alleged that Ms. Muniz did not properly deliver Personal Identification Number (“PIN”) Packs that accompanied new and replacement LINK cards to two DHS customers. Finally, the complaint alleged that Ms. Muniz issued herself replacement LINK cards in two DHS customers’ names in order to withdraw cash from ATMs near the Kane County DHS office.¹

¹ For reasons stated in this report, the OEIG will refer the allegation that Ms. Muniz committed benefits fraud to the Kane County State’s Attorney to determine if criminal prosecution is warranted.

II. Background

A. Information Relating to DHS LINK Cards

LINK cards are DHS-issued benefit cards that allow DHS customers to access need-based food stamps and cash. The PIN Pack includes the customer's temporary PIN, which is required to access their benefit account.

To receive a LINK card, an individual must submit an application to DHS that includes, among other things, the applicant's income and number of dependents. Based on the information provided on the application, DHS determines the benefits, if any, for which the applicant qualifies.

If a DHS customer loses or damages their LINK card, they may request that DHS issue an expedited card by calling the Illinois Link Help Line or visiting the appropriate DHS office. Before issuing an expedited LINK card, DHS requires that the customer sign a DHS Form 3658, which outlines the customer's rights and responsibilities with respect to their LINK card benefits and the consequences for fraudulent use of their benefits. Only after the customer submits the signed Form 3658, does DHS provide the customer with a new LINK card and PIN Pack. After receiving their PIN Pack, the customer may call the Illinois Link Help Line to change their PIN.

B. Subject Duties and Responsibilities

Gladys Muniz was a DHS Switchboard Operator in the Kane County DHS Office. Ms. Muniz's duties and responsibilities included, among other things, processing replacement LINK card applications and issuing replacement LINK cards and PIN Packs.

On November 5, 2010, Ms. Muniz resigned her position, effective December 1, 2010.

III. Investigation

A. Failure to Require Three DHS Customers to Sign Form 3658

i. Review of DHS LINK Card Records and Visitor Logs

OEIG investigators obtained and reviewed certain DHS customer LINK Card records. A review of the records revealed that, between November 16, 2009 and January 14, 2010, Ms. Muniz issued replacement LINK cards in the names of three individuals: [customer 1], [customer 2], and [customer 3]. Ms. Muniz did not submit a corresponding Form 3658 for any of the three replacement LINK cards. Within two weeks of Ms. Muniz issuing the replacement LINK cards:

- \$1,140 was withdrawn from [customer 2's] benefit account; and
- \$160 was withdrawn from [customer 3's] benefit account.

No money was withdrawn from [customer 1's] account.

OEIG investigators obtained and reviewed DHS Kane County Office Visitor Logs for the dates on which Ms. Muniz issued replacement LINK cards in the names of [customer 1], [customer 2], and [customer 3]. These records did not reflect that any of the three DHS customers visited the Kane County Office when Ms. Muniz issued the replacement LINK cards.

ii. Interview of DHS Customer [customer 2]

On September 21, 2010, OEIG investigators interviewed DHS customer [customer 2]. During the interview, [customer 2] said, in January 2010, she visited the DHS Kane County Office to obtain a replacement LINK card. [Customer 2] recalled that she met with Ms. Muniz, who requested she ([customer 2]) sign a few forms in order to receive a replacement LINK card. [Customer 2] said she complied with Ms. Muniz's request. According to [customer 2], Ms. Muniz then left her desk and when she returned, advised that she could not issue a new card at that time because of a computer error. [Customer 2] stated that, the following day, she met with her DHS caseworker, who provided a replacement LINK card. [Customer 2] stated that, when she attempted to use the new LINK card, her transaction was denied because of insufficient funds.

iii. Interview of Subject Gladys Muniz Regarding Forms 3658

On October 28, 2010, OEIG investigators interviewed Gladys Muniz. During the interview, Ms. Muniz stated that a Form 3658 is required to be completed before a new LINK card can be issued. Ms. Muniz said she did not recall ever issuing [customer 1] or [customer 3] a replacement LINK card without also requiring them to submit a signed Form 3658.

With regard to [customer 2's] Form 3658, Ms. Muniz stated that, on January 14, 2010, [customer 2] requested a replacement LINK card. However, according to Ms. Muniz, [customer 2] had refused to sign a Form 3658. Ms. Muniz stated that she nevertheless issued [customer 2] a replacement LINK card even though she ([customer 2]) refused to sign the Form 3658. Ms. Muniz confirmed that her handwriting appeared on the issuance log indicating that she issued the replacement LINK card to [customer 2] on January 14, 2010. Ms. Muniz explained that [customer 2's] name did not appear on the DHS visitor log because clerical errors, such as failure to complete visitor logs, occur frequently.

Ms. Muniz denied issuing [customer 2], [customer 1], or [customer 3] replacement LINK cards without their permission. Ms. Muniz also said she did not fraudulently obtain money from [customer 2's] or [customer 3's] DHS benefit accounts. Ms. Muniz stated that she may have mistakenly issued [customer 2's] replacement LINK card to another individual named [same name as customer 2] who had the same address.² In addition, Ms. Muniz recalled that she never issued [customer 3] a replacement LINK card without [customer 3's] caseworker present, because [customer 3] only spoke Urdu but she (Ms. Muniz) did not.

iv. Investigative Activity Following Ms. Muniz's Interview

² DHS records confirmed that two individuals by the name of [customer 2] lived at the same address.

1. Interview of [employee 1]

On November 17, 2010, OEIG investigators interviewed DHS employee [employee 1]. [Employee 1] is [customer 3's] DHS caseworker [identifying information redacted].

During the interview, [employee 1] said that in October 2009, [customer 3] complained that her LINK card account balance was inaccurate. [Employee 1] recalled that [customer 3] had also said her sister may have fraudulently obtained a replacement LINK card in her ([customer 3's]) name. [Employee 1] informed investigators that [customer 3's] family had previously taken her LINK card and that [customer 3] had previously reported that some of her family members had engaged in benefit fraud. According to [employee 1], [customer 3] was at the DHS Kane County Office the same day DHS records revealed that Ms. Muniz had issued her ([customer 3]) a replacement LINK card, but not at the time the card was issued. [Employee 1] stated that [customer 3] denied using the replacement LINK card Ms. Muniz issued to withdraw \$160.

2. Interview of [employee 2]

On December 10, 2010, OEIG investigators interviewed DHS employee [employee 2]. [Employee 2] is [customer 2's] DHS caseworker.

During the interview, [employee 2] said, in January 2010, [customer 2] visited the DHS Kane County Office to request a replacement LINK card to replace one that she accidentally threw away. [Employee 2] recalled that DHS could not issue a replacement LINK card at that time because of a DHS computer system problem. [Employee 2] stated that [customer 2] later returned to obtain a replacement LINK card and was notified that DHS could not issue one because two replacement cards had been issued in December 2009. [Employee 2] said that in response, she requested copies of the Forms 3658 filed for the replacement LINK cards and determined that Ms. Muniz had completed one of the replacement LINK card forms. [Employee 2] stated that when she questioned Ms. Muniz about [customer 2's] replacement LINK card, Ms. Muniz responded that two individuals named [customer 2's name] lived at the same address and that she must have made a mistake. [Customer 2] was subsequently issued a replacement LINK card.

B. Failure to Mail PIN Packs Allegation

i. Interview of [employee 3]

On August 5, 2010, OEIG investigators interviewed DHS employee [employee 3]. [Employee 3] is the Kane County DHS Office Manager.

During the interview, [employee 3] said, on February 19, 2010, he discovered opened DHS customer PIN Packs that were assigned to DHS customer [customer 1] and another DHS customer named [customer 4] in Ms. Muniz's desk. [Employee 3] stated that he compared the PIN Pack identification numbers with DHS records and determined that Ms. Muniz had issued

[customer 4's] PIN Pack on August 31, 2009 and had also issued [customer 1's] PIN Pack on January 6, 2010.³

ii. Review of DHS LINK Card Records

OEIG investigators obtained and reviewed copies of [customer 4's] LINK card application, transaction history, and previous DHS benefit information.

A review of the records revealed that [customer 4] indicated he lived alone in East Dundee, Illinois. [Customer 4] was previously listed as a dependent on his wife, [wife's], DHS benefit account, who lives in Carpentersville, Illinois. Because [customer 4] provided a different address than [his wife], her benefits were not taken into account when DHS authorized [customer 4's] LINK card application. [Customer 4] did not renew his LINK card after the benefits lapsed in October 2009.

iii. Interview of Subject Gladys Muniz Regarding PIN Packs

During her October 28, 2010 OEIG interview, Ms. Muniz said she did not know why [customer 1's] PIN Pack was discovered open and in her desk. Ms. Muniz explained that she may have forgotten to provide [customer 1's] PIN Pack with her ([customer 1's]) replacement LINK card.

Investigators provided Ms. Muniz with a copy of [customer 4's] PIN Pack and asked if she could explain why it was found in her desk. In response, Ms. Muniz said “[n]o, because all of those are mailed out.”

Investigators then reminded Ms. Muniz of her duty to cooperate. Thereafter, Ms. Muniz responded that, after reviewing the PIN Pack's contents more closely, she recalled that, at [customer 4's] request, she opened his PIN Pack and provided him with his PIN over the telephone. Ms. Muniz explained that her husband worked with [customer 4] and that she and customer 4's wife] were friends. Ms. Muniz said, other than a four-day period sometime in 2010, [customer 4 and his wife] continuously resided together. Ms. Muniz recalled that [customer 4] telephoned her because she was a State employee and asked if she “could just give him his PIN number so that he could just go to the store.” Ms. Muniz stated that her opening a customer's PIN Pack violated DHS policy.

IV. Analysis

A. Gladys Muniz Did Not Require Three DHS Customers to Sign Form 3658

The DHS Workers' Action Guide requires DHS customers to complete and sign a Form 3658 when issued a LINK card at a DHS office. DHS Cash, SNAP, and Medical Manual: Workers' Action Guide Section 22-01-01-d.

³ DHS LINK card records confirmed that Ms. Muniz issued [customer 1] and [customer 4] the PIN Packs on the dates [employee 3] provided.

Between November 16, 2009 and January 14, 2010, Gladys Muniz issued replacement LINK cards in the names of at least three individuals: [customer 1], [customer 2], and [customer 3]. DHS does not have a signed Form 3658 for any of these replacement LINK cards. Ms. Muniz admitted that she issued a replacement LINK card in [customer 2's] name, despite her refusal to sign Form 3658. Ms. Muniz further acknowledged that she indicated on the issuance log that she issued [customer 2] a replacement LINK card on January 14, 2010. While Ms. Muniz said she did not recall issuing cards in [customer 1's] or [customer 3's] names, DHS records indicate that she issued the replacement LINK cards without a corresponding Form 3658. The totality of the evidence supports a finding that Ms. Muniz violated DHS policy by issuing replacement LINK cards to DHS customers who did not sign a Form 3658 and, thus, the allegation is **FOUNDED**.

B. Gladys Muniz Did Not Deliver Two DHS Customers' PIN Packs

The DHS Workers' Action Guide requires DHS employees to mail or hand deliver a PIN Pack to the customer after issuing a replacement LINK card. DHS Cash, SNAP, and Medical Manual: Workers' Action Guide Section 22-01-01-e.

Gladys Muniz did not properly deliver PIN Packs to at least two DHS customers. On August 31, 2009, someone applied for and used a LINK card in [customer 4's] name. On January 6, 2010, a replacement LINK card was requested in [customer 1's] name. On February 16, 2010, [employee 3] discovered DHS customers [customer 1's] and [customer 4's] PIN Packs in Ms. Muniz's desk. During her OEIG interview, Ms. Muniz could not explain why either DHS customer's PIN Pack was in her desk more than one month after each had requested a new LINK card. Ms. Muniz admitted opening [customer 4's] PIN Pack because [customer 4] requested she provide him his PIN over the telephone. However, DHS policy requires that individuals who apply for benefits at local food pantries receive a PIN Pack by mail. Because [customer 1's] and [customer 4's] PIN Packs were discovered in Ms. Muniz's desk more than one month after either had applied for a LINK card, it is evident that Ms. Muniz did not properly deliver either customer's PIN Pack. Therefore, the allegation that Gladys Muniz did not mail two DHS customers' PIN Packs is **FOUNDED**.

V. Recommendations

Following due investigation, the OEIG issues these findings:

- **FOUNDED** – Gladys Muniz approved expedited LINK card benefits without obtaining the signature of three DHS customers on DHS Forms 3658.
- **FOUNDED** – Gladys Muniz did not mail two DHS customers' PIN Packs upon issuance of LINK cards as required by DHS policy.

Because Gladys Muniz is no longer a State of Illinois employee, the OEIG is unable to recommend discipline. However, the OEIG recommends that DHS place a copy of this report in Ms. Muniz's personnel file and that Ms. Muniz not be considered for future State employment.

The OEIG investigation revealed that between August 2009 and February 2010, Ms. Muniz issued replacement LINK cards in the names of DHS customers [customer 2] and [customer 3] at times that DHS office visitor logs did not reflect that either [customer 2] or [customer 3] visited the DHS office. Ms. Muniz's failure to ensure that Form 3658 was completed prior to issuing the cards suggests that Ms. Muniz may never have given [customer 2] or [customer 3] replacement LINK cards but rather kept the replacement LINK cards herself. Within two weeks of Ms. Muniz issuing the replacement LINK cards, \$1,140 and \$160 was withdrawn from the benefit accounts of two DHS customers neither of which reported that they made the withdrawals. The totality of the circumstances further suggests that Ms. Muniz may have fraudulently obtained money using the LINK cards she issued to [customer 2] or [customer 3]. Pursuant to Section 20-80 of the State Officials and Employees Ethics Act, the OEIG will refer Ms. Muniz's alleged misappropriation of DHS customers' LINK card benefits to the Kane County State's Attorney to determine if criminal prosecution is warranted.

The OEIG also discovered evidence that DHS customer [customer 4] may have submitted inaccurate address information on his LINK Card application and that, at the time [customer 4] applied for a LINK Card, he was living with his wife, who also received DHS benefits. DHS records indicate that [customer 4's] wife's benefits were not taken into account when determining the benefits [customer 4] received. Interestingly, Ms. Muniz stated that she was friends with [customer 4's wife]. Moreover, Ms. Muniz informed investigators that [customer 4] lived with his wife at all relevant times other than a brief separation. Because [customer 4] may have misrepresented his living arrangements to improperly receive benefits, the OEIG will refer this matter to the Illinois Department of Health and Family Services Office of Inspector General to determine if further investigation is warranted.

No further investigation is required and this matter is considered closed.



Pat Quinn, Governor

Illinois Department of Human Services

Michelle R.B. Saddler, Secretary

Office of the Secretary
401 South Clinton Street • Chicago, Illinois 60607
100 South Grand Avenue East • Springfield, Illinois 62762

October 25, 2011

Mr. Ricardo Meza
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 Case No: 10-00167-Final Report

Dear Inspector General Meza:

On October 11, 2011 the OEIG issued a final report in the above matter and made the following findings regarding Gladys Muniz, Switchboard Operator (SBO) at the Kane-Elgin Family Community Resource Center (FCRC):

- Muniz approved expedited LINK card benefits without obtaining the signature of 3 DHS customers on DHS Forms 3658.
- Muniz failed to mail 2 DHS customers' PIN Packs upon issuance of LINK cards as required by DHS policy.

Muniz resigned from her position with the State of Illinois on December 1, 2010 and the OEIG made the following recommendations:

- DHS should place a copy of the OEIG final report in Muniz's personnel file.
- Muniz should not be considered for future state employment.

The Department has reviewed the final report and has implemented all of the OEIG recommendations. A copy of this report has been forwarded to the DHS Personnel Office in Springfield for inclusion in Muniz's official personnel file and she will not be considered for future state employment.

With all of the OEIG recommendations having been implemented, DHS considers this matter resolved and respectfully requests this case be closed.

Sincerely,

Michelle R.B. Saddler
Secretary