

IN THE EXECUTIVE ETHICS COMMISSION  
OF THE STATE OF ILLINOIS

IN RE: DAVID MORRIS

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OEIG # 08-00994

OEIG FINAL REPORT (REDACTED)

The Executive Ethics Commission ("Commission") received an OEIG final report and responses from the ultimate jurisdictional authority and agency head in this matter on November 10, 2009. The Commission redacted the final report and mailed copies of the redacted version and responses to the Attorney General, the Executive Inspector General and David Morris at his last known address on November 30, 2009.

These recipients were given 15 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.

**SUMMARY REPORT OF THE OEIG INVESTIGATION**

The Office of the Executive Inspector General ("OEIG") received a complaint alleging that Illinois Department of Employment Security ("IDES") Revenue Analyst David Morris ("Morris") improperly received an overpayment of \$2,824.00 in unemployment benefits from IDES.<sup>1</sup> The OEIG concludes that this allegation is FOUNDED.

In Illinois, the unemployment benefit program was promulgated by the Unemployment Insurance Act, which authorized payment for the unemployed for up to twenty-six (26) weeks.<sup>2</sup> Beginning on approximately July 12, 2008, the United States Department of Labor extended the state emergency unemployment compensation for unemployed individuals.<sup>3</sup> Specifically, the federal program protracted unemployment payments to those individuals for an additional thirty-three (33) weeks. In order to qualify for the programs, however, the recipient had to meet certain requirements, which included being unemployed at the time of the claim.

OEIG investigators obtained and reviewed Morris' IDES "Employment Security Claimant Information Sheet," dated October 3, 2007. The application indicated that Morris initially filed for unemployment insurance benefits on September 17, 2007. Investigators observed that Morris' unemployment benefits extended from October 13, 2007 through April 5, 2008, at which time Morris exhausted his benefits. Morris began employment with IDES on May 16, 2008. However, according to IDES' "TCS Certification History," which is a computerized system that documents each participant's employment status, Morris recertified - via telephone, that he was still unemployed between July 12, 2008 and August 30, 2008. This recertification, which was completed after he began his IDES employment, resulted in additional

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<sup>1</sup> According to Central Management Services' records, Morris began his full time employment at IDES on May 16, 2008.

<sup>2</sup> The maximum benefit permitted is prescribed by the Illinois Unemployment Insurance Act, 820 ILCS 405/403.

<sup>3</sup> See [http://www.ides.state.il.us/pdf/UI/eb/EUC\\_FAQ.pdf](http://www.ides.state.il.us/pdf/UI/eb/EUC_FAQ.pdf), which outlined the federal extension of unemployment benefits program, which was first payable for the week ending July 12, 2008. The extension was further prolonged by the passage of the American Recovery and Reinvestment Act of 2009.

payments amounting to \$2,824.00.<sup>4</sup> The payments were issued through four (4) separate checks by IDES, drawn from the "State of Illinois Unemployment Insurance Benefit Account."<sup>5</sup>

Investigators further obtained and reviewed four (4) photocopies of said IDES unemployment checks, which were endorsed by Morris between approximately July 21, 2008 and September 4, 2008. Next to Morris' signature of each check was a certification of understanding that read, in part:

"DO NOT CASH THIS CHECK UNLESS YOU UNDERSTAND THIS CERTIFICATION AND IT IS TRUE.

By endorsing this check, I certify that during the week(s) ended on the date(s) shown on the front of the check and check stub, except as I have otherwise informed you in my answers given in either telephone certification or paper certification for the week(s), *I was unemployed, did not work, and earned no wages ... (emphasis added)*"

During his OEIG interview, IDES Deputy Legal Counsel Frederick Baird, II ("Baird") told investigators that Morris' unemployment benefits were reactivated with the passage of the federal unemployment extension program. Individuals who elected to participate in the program could simply telephone IDES to trigger their added benefits. However, any participant would be ineligible if he, as here, was employed at the time of the recertification.

Morris acknowledged, during his OEIG interview, that he had been employed by IDES since May 16, 2008, and his primary duties entailed establishing new employer accounts for the agency. Morris admitted that he had previously applied for unemployment benefits with IDES and subsequently requested additional payments between approximately July and August 2008. Prior to his unemployment benefits expiring in April 2008, he spoke with an unknown individual at the Blue Island (Illinois) IDES office. This individual informed Morris that he (Morris) was permitted to seek extended benefits for the period between April 2008 and May 16, 2008, when he became reemployed. Morris was unable to provide a physical description of the individual he spoke with at the office; however, he believed that the person was the receptionist. Morris further stated that he felt he was also "entitled" to the funds because he did not receive an IDES paycheck until approximately two (2) weeks after he started his current position. During the course of the OEIG interview, and upon further consideration, Morris felt he may have been "misinformed" relative to the IDES extended benefits procedure.

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<sup>4</sup> The evidence indicated that Morris did not continue to recertify after September 4, 2008 and no additional payments were made after that date.

<sup>5</sup> Each check was issued in the amount of \$706.00.

## ANALYSIS

IDES Code of Ethics, Section 1019.10, "Policy," states, in part, that:

"This policy incorporates the obligation of all employees (including volunteers and contractual employees), to conduct themselves in an ethical and professional manner and to comply with all applicable laws. Violation of civil and/or criminal law by State employees in the conduct of their duties reflects poorly on State government and its employees."

Section 1019.75, "Violation of the Code," continues: "Violations of the Code of Ethics may result in suspension and/or discharge and, in some cases, criminal prosecution.

The Illinois Unemployment Insurance Act<sup>6</sup> defines an "unemployed individual" as:

"An individual shall be deemed unemployed in any week with respect to which no wages are payable to him and during which he performs no services or in any week of less than full-time work if the wages payable to him with respect to such week are less than his weekly benefit amount. .."<sup>7</sup>

In accordance with the Illinois Unemployment Insurance Act, Morris did not qualify as an "unemployed individual" because he has been employed by IDES, on a full time basis, since May 16, 2008. Despite his disqualification, Morris sought to obtain certain benefits between July and August 2008. His explanation that he was misled by IDES regarding the federal extension program was dubious since Morris could not provide a reputable source for this misinformation. IDES Deputy Legal Counsel Baird confirmed that Morris' understanding was incorrect and Morris was not entitled to any payments after beginning his IDES career in May 2008. Further, a provision which specifically asked the endorser to certify that he "was unemployed, did not work, and earned no wages" appeared on each of the four IDES (4) checks Morris signed. Morris' signature and the receipt of unemployment proceeds were clearly improper because he remained employed at the time. Lastly, Morris' explanation that he was permitted to receive approximately two months worth of benefits, because IDES failed to pay him at the start of his employment, was not compelling. Although Morris' first pay check may not have arrived until after he had already worked for a time at his IDES position, he would have been eventually paid for his services. In obtaining benefits prior to his first pay check, Morris essentially received two payments for the time period worked – his unemployment benefit in addition to his regular pay, after his requisite waiting period. The totality of the evidence suggested that once Morris learned of the federal extension program, he improperly reactivated his status with IDES and received unwarranted payments because he falsely claimed he was not employed. Therefore, the allegation that Morris knowingly provided false information in regard to his work status and, as a result, improperly received unemployment benefits amounting to \$2,824.00, is **FOUNDED**. Also, in defrauding IDES, Morris' conduct reflects poorly on State government, in violation of IDES regulations.

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<sup>6</sup> 820 ILCS 405, *et seq.*

<sup>7</sup> *Id.* at 405/239.

In addition to IDES policy, State criminal statutes specifically prohibit theft, in general, and benefits fraud, in particular.<sup>8</sup> Morris' intentional deception to acquire benefits to which he was not entitled was unethical and possibly illegal. The OEIG will therefore forward this matter to the appropriate law enforcement authorities for consideration of criminal charges.

## **CONCLUSION**

Following due investigation, the OEIG issues this finding:

- **FOUNDED** - Morris improperly received an overpayment of \$2,824.00 in unemployment benefits from IDES, which violated IDES policy and possibly existing Illinois law.
- **FOUNDED** - In defrauding his employer, IDES, Morris displayed conduct which reflects poorly on State government, in violation of IDES regulations.

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<sup>7</sup> Id. at 405/239.

<sup>8</sup> 720 ILCS 5/16-1; 720 ILLS 5/17-6.

## **RECOMMENDATIONS**

Based upon the evidence, the OEIG recommends that Morris be disciplined, up to and including discharge, because he knowingly: provided false information relative to his employment status, in violation of IDES policy. The OEIG also recommends that IDES seek to recoup the \$2,824.00 Morris was overpaid during this period.

Additionally, the OEIG refers this case to the Office of the Cook County State's Attorney to evaluate Morris' conduct in regard to state benefits fraud.

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**OFFICE OF EXECUTIVE INSPECTOR GENERAL**  
for the Agencies of the Illinois Governor

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**OEIG RESPONSE FORM**

Case Number: 08-01045

**Due 20 Days after Receipt of Report**

Please check the box that applies.

- We have implemented all of the OEIG recommendations:  
(Provide details regarding action taken.)

*We are proceeding to discharge Mr. Morris.*

- We are implementing the OEIG recommendations however, we seek to deviate as follows:  
(Provide details regarding action planned / taken and proposed alternate(s).)

We do not wish to implement any of the OEIG recommendations and seek to deviate as follows:

(Explain why and provide details of alternate plan.)

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Letitia Dominici  
Signature

Letitia Dominici  
Print Name

IDES  
Sr Policy Advisor / Ethics  
Print Agency and Job Title Officer

11-12-09  
Date

Return to Arian Beasley, Office of Executive Inspector General, 32 W. Randolph St.  
Chicago, Illinois 60601