



OFFICE OF THE INSPECTOR GENERAL
Illinois State Toll Highway Authority

NOTICE OF POSTING
OIG Case # IG-23-007
Respondent: Kelly Terrell

Pursuant to 605 ILCS 10/8.5 (e)(3), the attached redacted summary report is being posted to the Illinois Toll Highway Authority's (Tollway) public website. As required by law, the Tollway Office of the Inspector General (OIG) sent a copy of this report to the Respondent and gave her until February 15, 2024 to provide suggested redactions or a written response. Respondent provided no response.

The OIG issued this Summary Report of Investigation (SRI) following an investigation that established reasonable cause to find that Tollway Toll Collector Kelly Terrell (Terrell) fraudulently sought and received a Paycheck Protection Program (PPP) loan for her outside business and engaged in unauthorized outside employment. Terrell's conduct violated multiple Tollway rules of employee conduct, the Tollway's outside employment policy, Federal rules governing use and forgiveness of PPP loans, and Federal law. The OIG recommended that the Tollway impose discipline as appropriate under the circumstances.

The Tollway agreed with OIG's findings and initiated the termination process. OIG subsequently received notification that Terrell's employment had been terminated effective December 6, 2023.



**OFFICE OF THE INSPECTOR GENERAL
SUMMARY REPORT OF INVESTIGATION
OIG Case # IG-23-007
October 30, 2023**

This report provides a summary of evidence set out in the attached investigative materials, and the Office of the Inspector General's (OIG's) analysis of that evidence. An index of these investigative materials is attached.

I. INTRODUCTION

OIG has completed an investigation that has established reasonable cause to find that Illinois State Toll Highway Authority (Tollway) Toll Collector Kelly Terrell (Terrell) fraudulently sought and received a Paycheck Protection Program (PPP) loan for her outside business and engaged in unauthorized outside employment. Terrell's conduct violated multiple Tollway rules of employee conduct, the Tollway's outside employment policy, Federal rules governing use and forgiveness of PPP loans, and Federal law.

These actions bring discredit on the Tollway, erode public confidence in government institutions and clearly fall well below the standards of conduct expected from Tollway employees like Terrell. Therefore, OIG recommends that the Tollway impose discipline, commensurate with the gravity of her violations, and any other relevant considerations, up to and including termination.

II. BACKGROUND

A. Paycheck Protection Program

The Coronavirus Aid, Relief, and Economic Security (CARES) Act established the PPP loan program in March 2020 to support small businesses, individuals, and other eligible entities adversely impacted by the COVID-19 pandemic.¹ The program, which provided \$813.7 billion over two rounds of funding for forgivable loans to eligible entities, was intended to ensure workers remained employed during the unprecedented pandemic. Between March 2020 and May 2021, the federal government processed 11.8 million PPP loans, totaling \$799.8 billion. Small Business Administration (SBA) guidance reflected that self-employed individuals could collect up to 2.5

¹ See United States Small Business Administration Inspector General, "SBA's Handling of Potentially Fraudulent Paycheck Protection Program Loans," May 26, 2022, available at <https://www.oversight.gov/sites/default/files/oig-reports/SBA/SBA-OIG-Report-22-13.pdf> (last accessed September 15, 2023).

months of net profits, up to \$100,000 in net profits, through the program.² Qualified businesses (those in existence prior to February 15, 2020) were eligible to apply for first draw PPP loans from March 2020, through August 8, 2020. Second draw PPP loans were issued from December 2020, through May 31, 2021. The maximum PPP loan for self-employed individuals for each draw was \$20,833.33. To qualify for that amount, an applicant would have to self-report at least \$100,000 in annual net profit.

Recent federal investigations and reviews have shown that the PPP was rife with fraud. “[SBA] OIG and other law enforcement agencies identified systemic patterns of potential fraud, including false attestations on loan documents, inflation of payroll, falsified tax documentation, identity theft, and misuse of proceeds.”³ SBA OIG’s analysis of loan data as of August 2020, identified more than 70,000 PPP loans, totaling over \$4.6 billion, as potentially fraudulent. This data only captured loans issued during the first round of PPP funding.

Over the past year, many OIG offices in Illinois have reported on PPP loan fraud by government employees, including the OIGs at the Chicago Housing Authority, the Clerk of the Circuit Court of Cook County, the Chicago Park District, the Chicago Public Schools, and the Office of Executive Inspector General for the Agencies of the Illinois Governor.

Considering these facts, OIG undertook a review of Tollway employees who received forgivable PPP loans. OIG compared publicly available PPP loan data to outside employment disclosures made by Tollway employees. OIG identified that Terrell applied for and received a forgivable PPP loan in 2021 for self-employment she described as “finance and insurance” work. Terrell did not have any outside employment approval forms on file with the Tollway.

B. Parties Involved

1. Kelly Terrell

Tollway records reflect Terrell began Tollway employment on July 9, 2012, as a Toll Collector. Although her title is the same, since late 2020 she has served as a Customer Service Representative.⁴

Tollway records list her home address as [REDACTED]. According to Redfin.com, the structure at that address is a 1,772 square foot single family home with 4 bedrooms and 2.5 bathrooms. [REDACTED]

² United States Small Business Administration, “PAYCHECK PROTECTION PROGRAM HOW TO CALCULATE MAXIMUM LOAN AMOUNTS FOR FIRST DRAW PPP LOANS AND WHAT DOCUMENTATION TO PROVIDE – BY BUSINESS TYPE,” as of January 17, 2021, available at [PPP: How to Calculate Maximum Loan Amounts for First Draw Loans \(sba.gov\)](https://www.sba.gov/PPP/How-to-Calculate-Maximum-Loan-Amounts-for-First-Draw-Loans) (last accessed September 15, 2023).

³ United States Small Business Administration Inspector General, “SBA’s Handling of Potentially Fraudulent Paycheck Protection Program Loans.”

⁴ The Tollway moved to electronic toll collections during the COVID-19 pandemic. At that time, it also moved former toll collectors into customer service representative roles, but toll collectors kept the “Toll Collector” title.

During the OIG interview, Terrell stated she purchased the house as a short sale, remodeled the home and sold it in 2022 after living in the home for five years. She said she currently resides at [REDACTED].⁵

Terrell earns approximately \$60,300 annually from her Tollway work.⁶

III. APPLICABLE RULES, REGULATIONS, LAW

A. Illinois Tollway Policy and Procedure Manual Chapter 7. Employee Conduct and Discipline: Section A: “Employee Conduct” (in relevant part):

To ensure orderly operations and provide the best possible work environment, the Tollway expects employees to follow rules of conduct that will protect the interests and safety of both the employees and the organization. Violations of the rules of conduct may result in disciplinary action, up to and including discharge. The rules of conduct include, but are not limited to, the following:

- Failure to follow Tollway or Departmental policies or procedures[.]
- Violation of the Tollway Code of Ethics or other official laws.
- Failure to notify Human Resources and supervisor of current contact information, including telephone number within 7 business days of a change.
- Other conduct unbecoming a Tollway employee.

B. Illinois Tollway Policy and Procedure Manual Chapter 7. Employee Demeanor: Section H: “Outside Employment” (in relevant part)

Any employee who seeks to engage in outside employment after they are employed with the Tollway must notify and receive the written approval of their Department Chief before accepting such employment. Outside employment consists of any type of activity for which the individual actually or anticipates receiving compensation (i.e., salary, commission, hourly pay, etc.) which may be in the form of cash or check, and may or may not include or be subject to the withholding of taxes. The Department Chief's written approval must be forwarded to the Chief of Administration.

At the time of hire, new employees will be asked if they currently are engaged in employment secondary to their position at the Tollway. Appropriate forms disclosing secondary employment must be completed during new employee processing. On an annual basis, employees will be required to acknowledge on-going secondary employment.

⁵ Terrell admitted that she had not submitted a change of address form reflecting her current residence, despite having moved more than a year ago.

⁶ This salary is based off the Salary database search on the Illinois State Comptroller's website for Terrell's 2022 salary. Salary Data - The Illinois Office of Comptroller (illinoiscomptroller.gov)

* * *

Violation of these standards may be cause for discipline up to and including discharge.

C. Small Business Administration, Business Loan Program Temporary Changes; Paycheck Protection Program – Treatment of Owners and Forgiveness of Certain Nonpayroll Costs, 13 CFR Part 120, Interim Final Rule, 4/15/2020 (in relevant part)

r. How can PPP loans be used?

The proceeds of a PPP loan are to be used for:

iii. mortgage interest payments (but not mortgage prepayments or principal payments);

s. What happens if PPP loan funds are misused?

If you use PPP funds for unauthorized purposes, SBA will direct you to repay those amounts. If you knowingly use the funds for unauthorized purposes, you will be subject to additional liability such as charges for fraud.

D. Federal Criminal Statutes

Several federal statutes prohibit false and fraudulent activity, including:

- **18 U.S. Code § 1014 – Crimes and Criminal Procedure – Loans and credit applications generally[.]**

Prohibits knowingly making a false statement or report on a loan application for the purpose of influencing in any way the action of the Small Business Administration and/or an institution insured by the Federal Deposit Insurance Corporation.

- **18 U.S. Code § 1344 – Bank Fraud**

Prohibits knowingly executing a scheme to defraud a financial institution or obtain moneys or funds of the financial institution by means of false or fraudulent pretenses or representations.

- **18 U.S. Code § 1343 – Wire Fraud**

Prohibits using wire transmissions to devise a scheme to defraud or obtain money by means of false or fraudulent pretenses or representations.

- **31 U.S. Code § 3729 – False Claims**

Prohibits knowingly false or fraudulent claims for payment from the United States Government.

IV. SUMMARY OF INVESTIGATION

A. Documents

1. [REDACTED]⁷ Paycheck Protection Program (PPP) Loan

a. [REDACTED] application # [REDACTED]

On February 8, 2021, Terrell submitted a PPP loan application seeking \$20,000. In her application, Terrell did not provide a specific business name but reported the business address as [REDACTED] and listed Terrell as the primary contact and 100 percent owner.

On the loan application, Terrell reported that the loan would be used to pay “Payroll Costs, Rent/Mortgage Interest and Utilities.” Documents Terrell submitted to support her loan request included a 2019 1040 IRS Tax form and Schedule 1 (Additional Income and Adjustments to Income) and Schedule C (Profit or Loss from Business (Sole Proprietorship) for Terrell and her business. In her Schedule C, Terrell reported \$125,000 in gross income from “finance and insurance work” in 2019, and a net profit of \$96,000.

Terrell ultimately received a \$20,000 PPP loan on February 10, 2021.

b. Loan Detail Report

[REDACTED] loan detail report shows a loan number [REDACTED] dated February 8, 2021, for business named Kelly Terrell. The loan funding details show bank routing and account number information for Kelly Terrell, which is identical to banking information Terrell provided to the Tollway on her direct deposit form.

c. [REDACTED]

[REDACTED] used [REDACTED]⁸, to obtain and verify loan documents for loan number [REDACTED]. Terrell was provided a client login [REDACTED] using email [REDACTED]. [REDACTED] tracked login information from February 6, 2021, to April 27, 2021.

⁷ [REDACTED] has both online and in person banking options. They have two locations, one in New Jersey and one in New York.

⁸ [REDACTED] is a financial technology company headquartered in New Jersey, with locations in California, Utah, Texas, Israel and India. [REDACTED]

d. Paycheck Protection Program Loan Forgiveness Application SBA Form 3508S

On April 19, 2021, Terrell submitted SBA Form 3508S seeking forgiveness of her \$20,000 PPP loan. She certified that her business complied with all PPP rules for forgiveness, including rules related to eligible uses for PPP funds and calculation of loan forgiveness amounts. She also certified that the information provided in the loan forgiveness application was true and that she was not knowingly making a false statement to obtain forgiveness. The form stated:

By Signing Below, You Make the Following Representations and Certifications on Behalf of the Borrower:

The Authorized Representative of the Borrower certifies to all of the below by **initialing** next to each one.

The Borrower has complied with all requirements in the Paycheck Protection Program Rules (Sections 7(a)(36), (7)(a)(37), and 7A of the Small Business Act, the PPP interim final rules, and guidance issued by SBA through the date of this application), including the rules related to:

- eligible uses of PPP loan proceeds;
- the amount of PPP loan proceeds that must be used for payroll costs;
- the calculation and documentation of the Borrower's revenue reduction (if applicable); and
- the calculation of the Borrower's Requested Loan Forgiveness Amount.

Information regarding these requirements may be found in the Form 3508S Instructions and the Paycheck Protection Program Rules.

The information provided in this application is true and correct in all material respects. I understand that knowingly making a false statement to obtain forgiveness of an SBA-guaranteed loan is punishable under the law, including 18 U.S.C. 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 U.S.C. 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

Following submission of this forgiveness application, the Borrower must retain all records necessary to prove compliance with Paycheck Protection Program Rules for four years for employment records and for three years for all other records. SBA may request additional information for the purposes of evaluating the Borrower's eligibility for the PPP loan and for loan forgiveness, and the Borrower's failure to provide information requested by SBA may result in a determination that the Borrower was ineligible for the PPP loan or in a denial of the Borrower's loan forgiveness application.

The Borrower's eligibility for loan forgiveness will be evaluated in accordance with the Paycheck Protection Program Rules. SBA may direct a lender to disapprove the Borrower's loan forgiveness application if SBA determines that the Borrower was ineligible for the PPP loan.

e. PPP Loan Payoff

The SBA forgave Terrell's PPP loan on June 14, 2021.

2. Tollway Personnel Forms

In the course of her Tollway tenure, Terrell has executed several forms acknowledging receipt and understanding of Tollway policies, including:

a. Personnel Policies and Procedures Manual Acknowledgment, Disclaimer, and Receipt form (10/31/2012)

I, Kelly Terrell, acknowledge that I have received copy of the Personnel Policies and Procedures Manual (revised January 1, 2005) for the Illinois State Toll Highway Authority.

I acknowledge that it is my responsibility to read and understand the contents of this manual.

b. Personnel Policies and Procedures Manual Acknowledgment, Disclaimer, and Receipt form (10/6/2016)

I, Kelly Terrell, acknowledge that I have received copy of the Personnel Policies and Procedures Manual (revised September 2016) for the Illinois State Toll Highway Authority.

I acknowledge that it is my responsibility to read and understand the contents of this manual.

c. Policies and Procedures Manual Acknowledgement form (10/31/2012)

Terrell acknowledged receipt of a copy of the Policies and Procedures Manual and that she had "read each of the sections listed above and agree to abide by their terms." The form lists sections of the Tollway Policies and Procedures Manual that the employee is "obligated to read and familiarize" themselves with and "abide by [their] terms." The form listed provisions in the manual to "especially review" and "pay attention to," including:

- Outside Employment - Reference Pages 44-46

d. Outside Employment Approval Form

OIG reviewed Terrell's personnel file but did not locate any Outside Employment Approval Form.

3. Tollway Ethics and Outside Employment Training and Reminders

Throughout Terrell's tenure, the Tollway has provided training and reminders on the Outside Employment disclosure requirement, including:

a. November 10, 2021 email

On November 10, 2021, the Tollway Ethics Office emailed all Tollway employees about outside employment ethics guidelines. It wrote, in relevant part (emphasis in original):

Illinois Tollway Outside Employment Policy

With the approaching holiday season, many employees may be looking for ways to earn something extra to make the holidays special. Remember, however, the Tollway Policy and Procedures Manual policy on outside employment states that any employee who seeks to engage in outside employment after they are employed with the Tollway **must notify and receive the written approval** of their Department Chief before accepting such employment.

It's critical to remember that the employee's responsibility is to complete and return the attached Outside Employment Approval Form and follow the provided guidelines at any time you seek employment in addition to your Tollway employment.

Click on the link below to download the form. Complete and send the form to your Department Chief for approval. <https://crossroads/sites/-executive/EthicsFOIA/Ethics/Ethics%20Communications%202021>

Outside employment consists of any type of activity for which the individual actually or anticipates receiving compensation (i.e., salary, commission, hourly pay, etc.) which may be in the form of cash or check, and may or may not be subject to the withholding of taxes

b. 2023 Tollway Employee, Official, & Contractor Ethics Training

According to the weekly reports of Tollway annual training completed by employees, Terrell completed her 2023 Tollway Ethics training on May 31, 2023.

Slide 14 of the 2023 Tollway Ethics training states (in relevant part):

OUTSIDE EMPLOYMENT

Employees may have outside employment so long as it is not in conflict with the employee's Tollway responsibilities and will not interfere with the employee's job performance or work schedule at the Tollway and includes, in relevant part:

- notifying their Department Chief and the Ethics Officer via the Outside Employment Approval Request Form initiated through each Department's Executive Secretary;

* * *

- the Outside Employment Approval Request Form is located online on Crossroads, <https://crossroads/sites/executive/EthicsFOIA/Shared%20Documents/Outside%20Employment%20Form-fillable.pdf>

* * *

- not conducting any business or performing any outside duties, including solicitation relating to outside employment, on Tollway premises or during the employee's normal work schedule

- c. Important Ethics Information: Outside Employment Policy Reminder email

On January 17, 2023, the Tollway Ethics Office emailed ethics information related to outside employment to all Tollway employees.⁹ The email stated, in relevant part:

Under the Tollway Policy and Procedures manual, any Tollway employee who seeks to engage in outside employment after they are employed with the Tollway must notify and receive written approval of their Department Chief before accepting such employment.

At the time of hire, new Tollway employees will be asked if they currently are engaged in employment secondary to their position at the Tollway and if they do have outside employment, they will need to fill out and sign the Outside Employment Approval Request form.

* * *

On an annual basis, Tollway employees will be required to acknowledge on-going

⁹ Email was sent to ALL ISTHA emails which consisted of 442 Tollway ALL0365 mail only accounts including Terrell.

secondary employment. This can be done using the Outside Employment Approval Request form.

Outside employment must not adversely affect an employee's job performance or the employee's work schedule at the Tollway.

Outside employment consists of any type of activity for which the individual actually or anticipates receiving compensation (i.e., salary, commission, hourly pay, etc.) which may be in the form of cash or check, and may or may not be subject to the withholding of taxes.

d. Outside Employment Policy Reminder email

On June 14, 2023, the Tollway Ethics Office emailed ethics information related to outside employment to all Tollway employees¹⁰. The email stated, in relevant part (emphasis added):

Under the Tollway Policy and Procedures manual, any Tollway employee who seeks to engage in outside employment after they are employed with the Tollway must notify and receive written approval of their Department Chief before accepting such employment.

At the time of hire, new Tollway employees will be asked if they currently are engaged in employment secondary to their position at the Tollway and if they do have outside employment, they will need to fill out and sign the Outside Employment Approval Request form.

* * *

On an annual basis, Tollway employees will be required to acknowledge on-going secondary employment. This can be done using the Outside Employment Approval Request form.

Outside employment must not adversely affect an employee's job performance or the employee's work schedule at the Tollway.

Outside employment consists of any type of activity for which the individual actually or anticipates receiving compensation (i.e., salary, commission, hourly pay, etc.) which may be in the form of cash or check, and may or may not be subject to the withholding of taxes. **Running your own business is considered outside employment for the purposes of the disclosure requirement.**

¹⁰ Email was sent to ALL ISTHA emails which consisted of 441 ALL0365 mail only accounts, including Terrell.

4. Bank Records – [REDACTED] checking account ending 4681

OIG subpoenaed and received checking account records for Terrell’s personal checking account from January 20, 2021, to April 15, 2021. Those records show a February 10, 2021 \$20,000 deposit from [REDACTED]. In addition, the account records reflect 29 payments made to [REDACTED] credit cards totaling [REDACTED] from February 12, 2021, to April 13, 2021.

The checking account records further reflect six bi-weekly payroll deposits during this time period from [REDACTED] in amounts ranging from [REDACTED].

B. Interviews

1. Kelly Terrell

On October 3, 2023, OIG Investigators interviewed Toll Collector Kelly Terrell (Terrell). Terrell was provided both orally and in writing, a consent to record form to which she consented and signed. Terrell was also provided, both orally and in writing, with Administrative Advisements for Union Employees, which she read, acknowledged, and signed acknowledging she wanted to proceed without union representation. In summary, Terrell stated the following:

Her current address is [REDACTED]. She previously lived at [REDACTED]. Terrell acknowledged that she did not report her new address to the Tollway when she moved a year ago. She stated that due to working from home, she forgot to update her address with the Tollway. Terrell has worked for the Tollway since 2012. She started as a Toll Collector at Plaza 61 in Aurora. In 2020, due to Covid, she moved into a remote customer service role, providing customer service-related duties by telephone.

a. Outside employment

Terrell claimed she did not currently have outside employment but admitted having other outside employment during her Tollway tenure. She provided information about the following outside jobs that she has held:

- [REDACTED] – a chat system similar to a call center. She worked for [REDACTED] from 2017 to 2021, as an independent contractor. She worked 20 hours a week before and after her Tollway shifts and on the weekends. [REDACTED] paid her \$12-\$13 an hour, which she used as supplemental income. She had no set work hours and she logged in when she wanted to make extra money. She received paychecks every two weeks and [REDACTED] found her the work. She used her own computer and phone to complete the work.
- [REDACTED] – a tax services and financial planning company started in 2020, owned by Terrell. Terrell does taxes for three to four people, all immediate family members. She charges between \$50 to \$100 per person and makes between \$150-\$400 a year. She completes this work in her spare time or on weekends. She took an [REDACTED] class to learn how to do taxes.

- [REDACTED] – remote paper grading company. Terrell would login to and grade papers. She worked seasonally for [REDACTED] for five or six years but has not worked there in about five years. She worked 20-30 hours a week and was paid [REDACTED] an hour.
- Real Estate license – Terrell obtained her real estate license, but claimed she never used it. She intended to enter the real estate field and joined [REDACTED], but never began any work. She never performed any real estate work, made no money using her real estate license, and the license expired on April 30, 2018.¹¹

b. Tollway Outside Employment Form

Terrell admitted that she never told her manager that she had outside employment and never reported it to the Tollway. She was aware that she had to report outside employment to the Tollway, but thought since she did not have an employer and was self-employed, she did not have to report it. Terrell reviewed her signed October 6, 2016 Acknowledgment, Disclaimer, her signed October 31, 2012 Policy and Procedure Manual Receipt, and a printout of the outside employment policy from the Policy and Procedure Manual, and then said her outside employment did not affect her Tollway job performance.

Terrell stated she never completed any outside work during Tollway hours. There is no down time doing customer service at the Tollway and it was impossible to do any other work while completing her work duties; Tollway work is too time consuming.

c. Terrell's PPP loan

Terrell acknowledged receiving a PPP loan for [REDACTED]. She received the loan “about three years ago.” (Recording Part 1 27:40).¹² She reconfirmed [REDACTED] income was approximately \$150 to \$400 a year. Terrell described [REDACTED] work as being limited to “just taxes.” (Recording Part 1 – 28:15). Terrell reviewed the schedule C she submitted for her PPP loan and her PPP loan application, which showed \$125,000 in income in 2019. She could not explain why the income on the PPP loan application differed from her actual earnings. She confirmed she submitted that loan documents to obtain the PPP loan. OIG asked Terrell how the loan document was completed with \$125,000 in income and \$8,000 a month in average payroll, Terrell responded “what do you mean help you understand? That’s what it is.” (Recording Part 1 – 30:22). When asked if she made \$125,000, Terrell responded, “No, I did not.” (Recording Part 1 – 30:31). When asked if she completed the application fraudulently, Terrell signaled affirmatively by saying, “mmhm.” (Recording Part 1 – 30:38).

Terrell said she used the entirety of the PPP loan to pay off credit card debt. The loan went into Terrell’s personal [REDACTED] account. Terrell had three credit cards with [REDACTED] and [REDACTED] and used the PPP loan money to pay all three credit cards.

¹¹ Terrell reviewed a screenshot of her [REDACTED] Facebook page and the Illinois Department of Financial and Professional Regulation showing Terrell’s real estate license history.

¹² This reflects the timestamp of the quoted language on the recording of Terrell’s OIG interview.

OIG asked Terrell how she used the PPP funds; she responded, “I used a lot of it to fix up my house I already sold.” (Recording Part 2 – 00:32).¹³ She told the OIG that she bought that home as a short sale, gutted and remodeled it. Terrell said she used her credit cards for everyday purchases as well, but the largest debt came from the home renovation. At the time, Terrell estimated, “with fixing up my house, I had probably [REDACTED] in credit card debt.” (Recording Part 2 – 2:04).

Terrell stated she could pay back the loan if needed and she did not want to risk her job.

V. ANALYSIS

OIG’s investigation has established reasonable cause to find that Terrell fraudulently obtained a PPP loan for her outside business, and misused those PPP loan funds. Terrell also engaged in unauthorized outside employment. Terrell’s conduct violated Tollway rules of employee conduct, the Tollway’s outside employment policy, Federal rules governing use and forgiveness of PPP loans, and Federal law.

A. **PPP Loan**

Terrell engaged in conduct unbecoming a Tollway employee by knowingly submitting a fraudulent PPP loan application in which she claimed to have earned \$125,000 in 2019 from “finance and insurance work.” Yet, when asked about her secondary business and income, Terrell told the OIG that she did not conduct any insurance work and actually did not start her tax preparation business until 2021, for which she has received less than \$500 per year. Terrell admitted to the OIG that she provided false information on her PPP loan application in order to obtain a PPP loan. Without that false information, Terrell knew she would not have qualified for a PPP loan.

Providing false information to a financial institution to obtain a Small Business Administration loan violates multiple federal laws, including 18 U.S.C. 1014 (prohibits knowingly making a false statement or report on a loan application for the purpose of influencing in any way the action of the Small Business Administration and/or an institution insured by the Federal Deposit Insurance Corporation) and 18 U.S.C. 1344 (prohibits knowingly executing a scheme to defraud a financial institution or obtain moneys or funds of the financial institution by means of false or fraudulent pretenses or representations). She likely also committed wire fraud in the submission of her loan application, in violation of 18 U.S.C. 1343 (prohibits using wire transmissions to devise a scheme to defraud or obtain money by means of false or fraudulent pretenses or representations).

Further, the OIG’s investigation has established reasonable cause to believe that her use of the PPP funds violated federal law. Terrell reported on her PPP loan application that the funds would be used for payroll costs, rent/mortgage interest, and utilities. However, the funds were not spent in any of these three areas. Terrell admitted that when she applied for the PPP loan, she was between [REDACTED] in credit card debt. Terrell told OIG that she used the loan to pay down the credit card debt, and her bank records confirm approximately [REDACTED] in credit card payments

¹³ That home was the house located at [REDACTED].

shortly after receipt of her \$20,000 PPP loan. Terrell’s use of PPP funds directly violated Federal rules governing the PPP loan forgiveness and the Federal False Claims Act.¹⁴ Terrell’s conduct violated the Tollway employee conduct rule prohibiting the violation of any official law and constituted conduct unbecoming a Tollway employee.

B. Outside Employment and Disclosure

In addition, Terrell engaged in unauthorized outside employment. The Tollway’s Outside Employment policy defines outside employment as “any type of activity for which the individual actually or anticipates receiving compensation (i.e., salary, commission, hourly pay, etc.) which may be in the form of cash or check, and may or may not be subject to the withhold of taxes.” The policy requires new employees, at the time of hire, to disclose “employment secondary to the position at the Tollway.” Disclosure forms must be completed at the time of new employee processing and should be updated annually. Employees who wish to begin outside employment after starting with the Tollway must notify and receive written approval prior to accepting the employment. Outside employment cannot conflict with the Tollway Code of Ethics. Violation of the Tollway’s Outside Employment policy is subject to discipline up to and including discharge.

Each of the three outside jobs Terrell admitted to working at various times during her Tollway tenure qualified as outside employment requiring disclosure and approval. However, Terrell acknowledged that she never disclosed any of them at any point during her Tollway employment. She claimed she did not consider her work to be outside employment because she was her own employer. This is disingenuous, self-serving, and false. The Tollway’s policy does not require a person to have an “employer” for their outside work to constitute outside employment. Instead, the test is whether the activity is one “for which the individual actually or anticipates receiving compensation.” Further, Terrell worked for two companies – [REDACTED] – in addition to her self-employment. Bank records corroborate that she received a bi-weekly paycheck from a non-Tollway entity during 2021, which coincides with her claimed employment with [REDACTED]. Tollway records reflected that Terrell received multiple emails and completed ethics training informing employees to report outside employment, including self-employment.

VI. RECOMMENDATION

Terrell’s conduct reflects a disregard for Tollway rules and policies. Most troubling, Terrell exhibited contempt for federal law and those not so fortunate as her to have a full-time paycheck with benefits, when she knowingly provided false income information to fraudulently obtain a PPP loan. She then used the loan proceeds improperly to pay down credit card debt that she incurred while renovating a home, which she eventually sold for \$182,000 more than she paid. As a government employee, Terrell has a duty to engage in ethical conduct and follow the law. Her actions with respect to the PPP loan constituted conduct unbecoming a Tollway employee, which not only reflects poorly on her character, but also brings discredit on the Tollway because it erodes

¹⁴ By claiming on the loan forgiveness application that she would only use the PPP loan proceeds for eligible purposes, but instead used them for ineligible expenses, she “knowingly presented” a false or fraudulent claim for payment or approval and knowingly used a false statement to avoid paying an obligation to the Government.

public confidence in government institutions. In addition, Terrell repeatedly engaged in outside employment without disclosing or obtaining proper approval.¹⁵

These actions undermine public trust and clearly fall well below the standards of conduct expected from Tollway employees like Terrell, and OIG recommends that the Tollway impose discipline, commensurate with the gravity of her violations, and any other relevant considerations, up to and including termination.

¹⁵ Terrell also failed to report her change of address for more than a year.