



OEIG Investigation No.: 23-00151
Subject(s) Name(s): Kenya Monroe

Investigative Summary Report Publication

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The Commission exercises its investigative summary report publication responsibilities only after thoughtful consideration. While the Ethics Act allows a subject to submit a response to be published with the report, it does not allow a subject to request a hearing before the Commission regarding the contents of a report. By publishing the following redacted report, the Commission neither makes nor adopts any arguments, allegations, determinations of fact, or conclusions of law relating to the subject or any other individual or entity referenced therein.

If you have questions about the content of the report, please contact the Executive Inspector General for the Agencies of the Illinois Governor. For enquiries about the Commission's publication process, please email eec@Illinois.gov or visit eec.illinois.gov for additional information.

Office of Executive Inspector General for the Agencies of the Illinois Governor

Investigation Case No. 23-00151



I. INTRODUCTION

Based on finding evidence of a State employee fraudulently obtaining a federal Paycheck Protection Program (PPP) loan, the OEIG conducted a larger review to determine whether State employees properly obtained PPP loans and provided notice of secondary employment.¹ The OEIG self-initiated this investigation regarding a \$20,833 PPP loan obtained by Kenya Monroe while employed at the Illinois Department of Human Services (DHS). Based on the evidence obtained in the investigation, there is reasonable cause to believe that Ms. Monroe obtained a federal PPP loan based on falsified information in violation of DHS and State of Illinois policies on employee conduct.

II. BACKGROUND

Ms. Monroe began working for the State in 2002 through November 2017, when she briefly left State employment before returning to DHS in December 2019. Ms. Monroe was a Mental Health Technician I at DHS from March 2022 until she resigned effective June 15, 2023.

The PPP was created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the Small Business Administration (SBA) to provide relief to small businesses affected by the COVID-19 pandemic. PPP loans were made to eligible businesses, which included sole proprietorships and self-employed individuals, for qualifying payroll costs and business operating expenses such as insurance, rent, and utilities.² To apply for the loan, a sole proprietor or self-employed individual needed to submit certain tax filings or other payroll documentation to an SBA-approved lender, establishing their eligibility and demonstrating the qualifying payroll amount, which as of March 2021 could be based on “gross income” reported on an IRS Form 1040, Schedule C.³ PPP loans were eligible for forgiveness by the SBA if used on qualifying expenses and if at least 60% was used for payroll costs.⁴

III. INVESTIGATION

A. PPP Records For Kenya Monroe

The OEIG located public records from the SBA showing that a Kenya Monroe received a \$20,833 PPP loan in approximately May 2021 for a sole proprietorship. The OEIG subpoenaed loan documents from the lender, which included a loan application for “Schedule C Filers,” signed in Ms. Monroe’s name and dated April 25, 2021. The “sole proprietor” box was checked, the Business Legal Name was “Kenya Monroe” with establishment year 2018, and the business was categorized under a code for “Landscaping.” Ms. Monroe was identified as the sole employee. A box checked under “Purpose of the loan” was for payroll costs. The form contained various certifications, all reflecting the initials “KM,” which included a statement that the applicant “was

¹ From the OEIG’s review, in order to be eligible for at least \$20,000 in loan proceeds, the small business typically had approximately \$100,000 or more in yearly net profit or gross income. The OEIG may be referring to the Ultimate Jurisdictional Authority those State employees who obtained PPP loans in smaller amounts or were not investigated for other logistical reasons.

² 15 U.S.C. § 636(a)(36); SBA Interim Final Rule, 85 FR 20811 (Apr. 15, 2020).

³ SBA Interim Final Rule, 86 FR 13149 (Mar. 8, 2021) (expanded definition of “payroll costs” for sole proprietors).

⁴ *See id.*; 15 U.S.C. § 636(m).

in operation on February 15, 2020...and was either an eligible self-employed individual, independent contractor, or sole proprietorship with no employees...”; a statement that the funds would be used as authorized by PPP rules; and a statement that information provided in the application and supporting documentation was “true and accurate in all material respects.” On the application, the gross income from tax year 2019 from the “IRS Form 1040, Schedule C, line 7” was identified as \$100,550.15. That figure was used to calculate the loan amount of \$20,833 (intended to cover a period up to 2.5 months).

Other documents were submitted related to the loan, which included:

- a 2019 Schedule C Profit or Loss From Business form for a landscaping business in Kenya Monroe’s name, which listed gross income in the amount of \$100,550.15;
- a verification document, which includes a section titled, “Verification: Selfies” and contains several digital photographs of a woman; and
- a copy of an Illinois driver’s license in the name Kenya Monroe-Howard, reflecting the same address listed for Ms. Monroe on the PPP loan application and Schedule C form.

A “Note” was dated May 13, 2021 and contained an electronic signature in Ms. Monroe’s name for a loan in the amount of \$20,833, and an Authorization Agreement for Automated Clearing House Payments contained an electronic signature in Ms. Monroe’s name for the same date. The lender documents reflect that \$20,833 was funded to a bank account at Bank A on May 19, 2021. The lender records did not include documentation relating to loan forgiveness.⁵

B. DHS Secondary Employment Information

The OEIG requested and obtained the DHS personnel file for Ms. Monroe, which contained two Report of Secondary Employment forms signed in Ms. Monroe’s name and dated December 16, 2019 and December 17, 2019. Neither of these forms reported any secondary employment.

C. Kenya Monroe’s OEIG Interview

On February 7, 2023, the OEIG interviewed Ms. Monroe. Ms. Monroe indicated that she has not operated any businesses, other than that she previously was a silent business partner with her friend (“Individual A”), who she also said was her tax preparer.⁶ Ms. Monroe said she was not physically involved with the business, but that she began giving Individual A money in 2009 to use towards the business and that she gave Individual A whatever amount of money Individual A said she needed for the business. Ms. Monroe said she did not know what type of business Individual A was involved in or what Individual A did every day in regards to the business. Ms. Monroe said she did not know how much money she had given to Individual A each year but that

⁵ Public data on the SBA website reflects “Exemption 4” in the Loan Status field. The SBA’s PPP Data Dictionary explains that the “Loan Status is replaced by ‘Exemption 4’ when the loan is disbursed but not Paid in Full or Charged Off.” See [PPP FOIA - Dataset - U.S. Small Business Administration \(SBA\) | Open Data](#) (last visited September 11, 2023).

⁶ Ms. Monroe provided the OEIG with Individual A’s first and last name and stated that Individual A was not a State employee. According to the Illinois Comptroller’s public database, nobody with Individual A’s name was a State employee in 2021.

it was more than \$20,000 over the years and most of the money she gave to Individual A came from her Bank A account.⁷ Ms. Monroe said she no longer has this partnership with Individual A because Individual A passed away. Ms. Monroe initially said Individual A died at the end of 2020 or early 2021, but later in the interview said it probably was around June 2021.⁸ Ms. Monroe said that in addition to her partnership with Individual A, she also has worked 20-30 hours a week for the last ten years caring for a family member through two different home care services companies.

Ms. Monroe confirmed that she was familiar with DHS's secondary employment policy but said that she did not understand the point of reporting secondary employment to DHS if it had nothing to do with her State work hours and did not conflict with her State work schedule. Ms. Monroe said she was unable to recall whether she disclosed any secondary employment to DHS.

Ms. Monroe denied seeking any loans related to her secondary employment. Ms. Monroe said she was familiar with PPP loans but knew she was not eligible to receive one because she understood PPP loans were only for business owners and landowners. In her interview, Ms. Monroe was shown the PPP loan application bearing her name, and confirmed that it contained her personal address, phone number, and Social Security number, although she said the listed email address was not hers. However, she claimed she was not familiar with the application, did not fill it out, initial the certifications, electronically sign the application, or give Individual A permission to do so on her behalf. Ms. Monroe confirmed that she is not the sole proprietor of any business because there is no business, and that she has never done any type of landscaping or operated a business engaged in landscaping services. Ms. Monroe said she did not earn a gross income of \$100,550.15 from a business, as listed on the application.

Ms. Monroe also confirmed that the Schedule C form submitted with the PPP loan application contained her personal information but said she had not previously seen it before either. Ms. Monroe confirmed the financial information listed on the form was incorrect, and that she did not have any of the \$9,103 in expenses listed on the form. Ms. Monroe said she did not know if the Schedule C form was submitted to the IRS with her tax return because Individual A completed her taxes. Ms. Monroe also denied signing the Note for the PPP loan.

Ms. Monroe confirmed that she is the woman in the photos that were included in the lender documents for the PPP loan. Ms. Monroe also confirmed that the driver's license included in the lender documents belonged to her. However, she claimed she did not recall submitting verification photos other than for an apartment, and she said that the photos shown during her interview were not the same photos used for the apartment. Ms. Monroe said that Individual A never asked her for these photos.

Ms. Monroe said she did not know if Individual A sought any loans in her name and did not recall discussing it with Individual A. Ms. Monroe said she used to let Individual A complete her taxes and anything dealing with the business. Ms. Monroe said she would provide Individual A with copies of her W-2 forms, her driver's license, her Social Security card, and her [relations'] Social Security cards and Individual A would tell her (Ms. Monroe) how much the tax

⁷ Later in the interview, Ms. Monroe denied previously stating that she paid Individual A from her Bank A account, or said that she misspoke if she made that statement.

⁸ The OEIG located an obituary for an individual with a name matching that of Individual A, which reflected that she lived in Illinois and that she died on June 25, 2021.

refund was but never provided documentation to Ms. Monroe.

Ms. Monroe confirmed that she has an account at Bank A. However, she denied receiving \$20,833 in PPP loan proceeds and said that to her knowledge she had never spent any of the funds. Ms. Monroe claimed she only opened the Bank A account but then had nothing to do with it. Ms. Monroe claimed that Individual A controlled Ms. Monroe's Bank A account and account card, created the online account, and maintained the log in information. Ms. Monroe claimed that she did not have any of the account information or log in information. Ms. Monroe further claimed that she would not know if the PPP loan proceeds were deposited into the account because Individual A controlled it. Ms. Monroe said that she was naïve to give her personal information or money to Individual A without asking questions.

D. Ms. Monroe's Bank Records

Following Ms. Monroe's interview, the OEIG obtained Bank A records of the account number identified in the lender documents as the account credited with the loan funds, from March 9 through December 8, 2021. The Bank A records reflected that the account was a personal account in Ms. Monroe's name, opened on December 13, 2016.⁹ Statements for the account reflect the same address that Ms. Monroe confirmed to be her home address and that is listed on the PPP loan documents. The signature card, dated December 2016, lists the same last four numbers of the Social Security Number listed in the loan documents and that Ms. Monroe confirmed to be her Social Security Number. Kenya Monroe is the only signatory listed on the account.

In addition, although Ms. Monroe claimed in her interview that she had nothing to do with the Bank A account, the Bank A records reflect regular direct deposits labeled as "Payroll" from one of the home care services companies for which Ms. Monroe said she worked.¹⁰ The Bank A records also show purchases described as "Debit Card Purchase Cash App *Monroe*," regular ATM withdrawals and multiple purchases from vendors located in the same city as Ms. Monroe's home,¹¹ including restaurants, grocery stores, dollar stores, clothing stores, gas stations, a beauty salon, a beauty supply store, and a movie theater. Additionally, the Bank A records reflect regular payments to stores located in between Ms. Monroe's home and her DHS work location.

The Bank A records show a balance of \$27.21 as of May 18, 2021. The next day, on May 19, 2021, there was a transfer of \$20,833 into Ms. Monroe's account, with a description that referenced the name of the lender reflected in the PPP loan documents, and "Ppp Loans." The Bank A records then show approximately \$17,000 in checks/withdrawals/payments in just the three weeks after the PPP loan funds were deposited, including a purchase of plane tickets, and purchases in Florida. As of December 8, 2021, the records reflect that the balance was \$3.15.

⁹ Bank A also produced records of another account in Ms. Monroe's name.

¹⁰ During her interview, Ms. Monroe denied ever receiving direct deposits into any of her bank accounts, including her Bank A account, and claimed that she always received pay from the home care services companies through prepaid cards. The Bank A records did not show regular direct deposits from the State of Illinois.

¹¹ The obituary located for an individual with a name matching that of Individual A reflected that Individual A lived in a different city than Ms. Monroe. Ms. Monroe also said that Individual A lived in a city that was different than where Ms. Monroe's home was located.

In addition, although Ms. Monroe claimed that Individual A controlled the Bank A account and said that Individual A died around June 2021, and an obituary in Individual A's name reflected that she died on June 25, 2021, the Bank A records reflect continued and regular activity after June 2021. A review of the Bank A records from July 2021 through December 2021 revealed over 400 transactions, including various forms of deposits,¹² ATM withdrawals, debits or purchases, and electronic payments and money transfers. More specifically, the Bank A records showed numerous payments described as "Debit Card Purchase Cash App*Kenya Monr," as well as payments for food, tollway fees, gas, clothing, and an amusement park. Many of the purchases and ATM withdrawals continued to be from vendors located in the same city as Ms. Monroe's home. In addition, the records revealed multiple Bank A deposit slips completed in Ms. Monroe's name, including deposit slips for three [redacted] checks, made payable to Ms. Monroe and reflecting an endorsement signature in Ms. Monroe's name.

The Bank A records do not reflect any payments made to either the SBA or the PPP lender after the loan proceeds were deposited into Ms. Monroe's bank account.

E. Ms. Monroe's Resignation

Ms. Monroe tendered her resignation from DHS on May 30, 2023, effective June 15, 2023.

IV. ANALYSIS

The DHS Rules of Employee Conduct state that an employee's "conduct while off-duty may subject the Employee to discipline up to and including discharge" when the conduct raises "reasonable doubt concerning the Employee's suitability for continued state employment."¹³ In addition, the State of Illinois Code of Personal Conduct provides that "A State Employee will conduct himself or herself...with integrity and in a manner that reflects favorably upon the State."¹⁴

Moreover, the DHS secondary employment policy requires employees to complete a new Report of Secondary Employment form annually, confirming "any secondary employment, including self-employment, or whether no secondary employment exists." It further states that employees who begin previously unreported outside employment need to submit a Report of Secondary Employment form within five working days of commencing secondary employment. Any secondary employment reported is then evaluated by DHS management to determine whether it poses a conflict of interest. The policy states that "[f]ailure to have an accurate and current form submitted may result in disciplinary action, up to and including discharge."¹⁵

¹² The Bank A records reflect that the numerous deposits made into the account for this timeframe included ATM deposits, in-person bank deposits, direct deposits, and electronic money transfers/reimbursements.

¹³ DHS Administrative Directive 01.02.03.040.

¹⁴ Illinois Code of Personal Conduct, Conduct Unbecoming of a State Employee (2017 & March 17, 2021).

¹⁵ DHS Administrative Directive 01.02.03.120. The policy states that if secondary employment is reported, the form will be placed in the employee's official personnel file. *Id.*

Based on the evidence gathered in the investigation, there is reasonable cause to believe that Ms. Monroe obtained a \$20,833 PPP loan based on false information. A review of the loan documentation revealed that the loan application and the Schedule C form were both in Ms. Monroe's name and included her personal information, including her SSN, phone number and home address. In addition, the PPP loan application materials included selfie photos of Ms. Monroe, a copy of her driver's license, and her bank account information with Bank A. Bank A records confirmed that the PPP loan funds were deposited into Ms. Monroe's personal account, and that Ms. Monroe is the only signatory on the account. Although the loan application and Schedule C form represented that Ms. Monroe had a landscaping business that made \$100,550.15 in 2019, Ms. Monroe admitted during her interview that she has never operated a landscaping business and did not make that amount in 2019 from a business. Indeed, Ms. Monroe admitted that she did not have any business, and that outside of her DHS job she only cared for a family member through home care services companies, and gave Individual A money.

Ms. Monroe's claim that she was not involved, or even aware of, the false PPP loan application made in her name, and resulting in \$20,833 in proceeds, is not believable. First, the loan documents included photos labeled selfies, which Ms. Monroe admitted were photos of her. Ms. Monroe further said that she did not give the photos to Individual A and did not provide any explanation as to how these photos of her would be submitted in support of a PPP loan application if she did not do so herself. Second, Ms. Monroe also claimed that Individual A had total control over her bank account where the PPP loan was deposited, and that Ms. Monroe had no control or knowledge of whether the loan funds were deposited into it. Yet, Bank A records reflect that Ms. Monroe is the only signatory, the account is registered to her home address, her paychecks for her home care services work were deposited into the account, and the account was used to make cash application payments in Ms. Monroe's name and for daily living purchases near Ms. Monroe's home. Ms. Monroe's claim that she has no involvement with her own bank account is especially unbelievable given that regular spending from the account continued after Individual A's death.

The evidence shows that, at minimum, Ms. Monroe received and spent the PPP loan proceeds, and that the loan was obtained with false information. In addition, Ms. Monroe admitted that she has worked 20 to 30 hours a week for the last ten years caring for a family member through two different home care services companies, and DHS documents reflect that she did not disclose that work to DHS as secondary employment. Based on the evidence, there is reasonable cause to believe that Ms. Monroe violated DHS and State of Illinois policies on employee conduct and secondary employment.

V. [REDACTED] AND RECOMMENDATIONS

Based on the evidence detailed above, the OEIG has determined **THERE IS REASONABLE CAUSE TO BELIEVE THE FOLLOWING:**

- **[REDACTED]** – Ms. Monroe obtained a federal PPP loan based on falsified information in violation of DHS and State of Illinois policies on employee conduct.
- **[REDACTED]** – Ms. Monroe failed to report secondary employment in violation of DHS policy.

Regardless of the ease of procuring these PPP funds, this was not free money for the taking. The PPP was a public program set up to provide legitimate small businesses, that met certain criteria, with public funds to assist during the pandemic. Misappropriating public funds is far from being ethical, professional, acting with integrity, or conducting oneself in a manner that reflects favorably upon the State. Because Ms. Monroe has resigned from her DHS position, the OEIG recommends that this report be placed in her personnel file and that she not be rehired into State employment.

Date: September 28, 2023

Office of Executive Inspector General
for the Agencies of the Illinois Governor
69 West Washington Street, Ste. 3400
Chicago, IL 60602

By: **Grace Donovan**
Assistant Inspector General

Reginald Spears
Supervising Investigator #124



JB Pritzker, Governor

Dulce M. Quintero, Secretary Designate

Office of the General Counsel
69 W. Washington St. • Ste. 901 • Chicago, IL 60602

March 21, 2024

Via e-mail to Senior Paralegal Sherry Bult (at [REDACTED]@illinois.gov) on behalf of:

Susan M. Haling
Executive Inspector General
Office of the Executive Inspector General for the Agencies of the Illinois Governor
69 West Washington Street, Suite 3400
Chicago, Illinois 60602

RE: Updated Response to the Final Report for Complaint 23-00151

Dear Executive Inspector General Haling:

This letter updates a previous response for the Final Report for Complaint Number 23-00151. That Final Report details two [REDACTED] allegations, regarding the federal Paycheck Protection Program (PPP) and failure to report secondary employment. It makes one recommendation. The recommendation has been followed. The Department of Human Services (DHS) has placed a copy of the Final Report in the former employee's personnel file, along with a notation not to rehire the former employee.

With the recommendation followed, DHS considers this matter closed. If you have any questions, please feel free to contact Robert J. Grindle, DHS' Ethics Officer.

Regards,

/s/ Dulce Quintero by /s/ Robert J. Grindle

Dulce Quintero
Secretary-designate



JB Pritzker, Governor

Illinois Department of Human Services

Grace B. Hou, Secretary

Office of the General Counsel

69 West Washington • 9th Floor • Chicago, Illinois 60602

September 29, 2023

Via e-mail to Senior Paralegal Sherry Bult (at [REDACTED]@illinois.gov), on behalf of:

Susan M. Haling

Executive Inspector General

Office of the Executive Inspector General for the Agencies of the Illinois Governor

69 West Washington Street, Suite 3400

Chicago, Illinois 60602

RE: Response to the Final Reports for Complaints Transmitted on September 28, 2023

Dear Executive Inspector General Haling:

This letter responds to the set of 14 Final Reports for the complaints transmitted to the Department of Human Services (DHS) on September 28, 2023. The complaints are being reviewed. Your office will receive an update as these matters move along. If you have any questions, please feel free to contact Robert J. Grindle, DHS' Ethics Officer.

Regards,

/s/ Grace B. Hou by /s/ Robert J. Grindle

Grace B. Hou
Secretary