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DAVID TODD WHITLEY
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PUBLIC BUILDING COMMISSION OF CHICAGO
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RE: SIGNIFICANT ACTIVITY REPORT

Today, Judge Sara Ellis of the United States District Court for the Northern District of Illinois sentenced former Public Building Commission (PBC) Manager of Payroll and Benefits Tara Smith to 36 months of probation, 200 hours of community service, and restitution in the amount of \$51,018 to PBC and \$40,371 to the Internal Revenue Service, for one count of filing a false tax return, in violation of Title 26, United States Code, Section 7206(1). Ms. Smith, who processed payroll for PBC's employees, admitted that in 2014 and 2015 she executed a scheme to defraud PBC through the periodic, electronic submissions of false information to ADP, PBC's payroll processor, which represented that Smith was entitled to additional payroll payments when Smith knew that, in fact, she was not. In total, Smith fraudulently arranged to receive an additional \$51,018 in unauthorized payroll payments from PBC, which were then deposited into bank accounts she controlled.

Smith further admitted that she filed materially false and fraudulent U.S. Individual Income Tax Return Form 1040s in 2014, 2015, and 2016, in which she willfully failed to report all the income she received. In addition, in January 2015, Smith sought to conceal certain unauthorized payments by submitting to ADP via email an amended W-2 that did not reflect the unauthorized payments she received in 2014. Smith's actions constituted further acts of wire fraud, as the email Smith sent was routed through a computer server located in a state outside of Illinois.

This investigation was conducted by the City of Chicago Office of Inspector General, working conjunction with the Internal Revenue Service and the U.S. Attorney for the Northern District of Illinois.

Please do not hesitate to direct any questions or requests for additional information to me or Natalie A. Kuriata, Communications Coordinator, at (773) 478-8417.

Respectfully,

A handwritten signature in blue ink, appearing to read 'J. Ferguson', is positioned above the printed name.

Joseph M. Ferguson
Inspector General
City of Chicago