

November 23, 1999

E. KAYE DeSHIELDS
MANAGER, RETAIL PRODUCT AND
SERVICES DEVELOPMENT

SUBJECT: Sure Money Electronic Funds Transfer Service Expansion to Dominican Republic (Report Number FR-LA-00-001)

The Postal Service Sure Money electronic funds transfer service with Mexico, known as the Dinero Seguro ("Sure Money" in Spanish) Program, offers delivery of consumer funds between 870 post offices in the United States and 1,200 bank locations in Mexico. We completed a review of the Dinero Seguro Program in April of this year and one of our recommendations was to lower the daily transaction threshold for an individual from \$2,999 to \$2,000. We identified in our review that less than one-half of one percent of the Dinero Seguro transactions that had been sent to Mexico were for \$2,000 or more; therefore, lowering the threshold would have little impact on the revenues of the program while reducing the risk that the program would be used for money laundering. The Chief Marketing Officer concurred with this recommendation and provided us with actions that would be taken to implement the recommendation.

Our office has reviewed a draft solicitation for contract, Solicitation Number [REDACTED]-[REDACTED], for expansion of the Sure Money electronic funds transfer service to the Dominican Republic. This program will be referred to as the Dinero Seguro- Dominican Republic Program. During our review of the draft solicitation for contract, we identified that it contained daily limits of \$2,999. We suggest, based on our prior review of the Dinero Seguro Program in Mexico, that the daily transaction threshold be lowered to \$2,000 for the Dinero Seguro-Dominican Republic Program as well. Further, we suggest that the daily limit for all future expansions of the Sure Money electronic funds transfer service to other countries is kept at \$2,000. These limits could be further evaluated in the future if market demands dictate and enhanced internal controls justify the raising of these limits. However, as stated earlier, we currently believe that these limits will have little or no impact on Postal Service revenues while reducing the risk that the services will be utilized for money laundering.

Based on our discussion with your staff, we understand that you have already decreased the daily transaction threshold to \$2000. We will continue to assist you as the effort progresses and provide suggestions as needed. Please do not hesitate to call [REDACTED], or me at (703) 248-2300, if you have any questions.

Richard F. Chambers
Assistant Inspector General
for Performance

cc: Allen Kane
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