

Department of Justice
U.S. Attorney's Office
Eastern District of Louisiana

FOR IMMEDIATE RELEASE

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Former Manager of North Kenner Post Office Sentenced to 30 Months for Stealing More Than \$630,000 in Postal Stamps

NEW ORLEANS – United States Attorney Peter G. Strasser announced today that RYAN S. CORTEZ, age 47, of Des Allemands, Louisiana, was sentenced today for Misappropriation of Postal Funds.

According to court records, special agents with the U.S. Postal Service, Office of Inspector General (“USPS-OIG”) were notified by PayPal and eBay regarding significant quantities of U.S. Postal stamps being sold by CORTEZ on eBay. A subsequent investigation by Postal OIG revealed that, as manager, CORTEZ had increased the North Kenner Post Office’s reserve stamp stock by more than \$600,000. Subpoenaed records from CORTEZ’S Regions Bank account revealed substantial deposits, including more than \$58,000 in a one-month period in the summer of 2018.

During their investigation, Postal OIG agents determined CORTEZ withdrew thousands of dollars on a regular basis at the Harrah’s Casino in New Orleans. Harrah’s records revealed CORTEZ lost over \$667,000 since 2011 and lost over \$220,000 in 2017. Postal records indicate CORTEZ earned an annual salary of \$70,818.

On October 10, 2018, Postal OIG special agents executed a federal search warrant issued by a federal magistrate judge at CORTEZ’s residence in Des Allemands. Agents found evidence linking CORTEZ to the ordering of the stamps from the Stamp Fulfillment Center thus increasing the reserve stamp stock for the North Kenner Post Office. During the search of the Post Office, Postal OIG special agents advised CORTEZ of his Miranda rights and told him that they wanted to discuss financial issues with the Post Office. CORTEZ admitted to Postal agents that he had stolen stamps from the North Kenner Post Office and sold them on eBay. When asked to estimate the dollar amount of stamp stock that had been stolen, CORTEZ responded, “Hundreds of thousands.” CORTEZ claimed he began selling stamps on eBay in 2015. CORTEZ said he was addicted to gambling and the money obtained from the illegal sale of stamps was to support his gambling addiction. CORTEZ confirmed

he manipulated stamp stock counts by using another supervisor's password to access the computer system. As a result, existing internal controls failed to detect the theft of these stamps.

In total, Postal records reveal that CORTEZ stole over \$630,000 in U.S. stamps and sold them on eBay. According to Postal authorities, CORTEZ's illegal activities constitute one of the largest internal Postal thefts by a Postal Service employee in the history of the U.S. Postal Service.

United States District Court Judge Barry W. Ashe sentenced CORTEZ to 30 months imprisonment, followed by three (3) years of supervised release, and ordered CORTEZ to pay restitution in the amount of \$856,801.41.

U.S. Attorney Peter G. Strasser praised the work of the U.S. Postal Service, Office of Inspector General. The prosecution of this case is being handled by Assistant U.S. Attorney Brian M. Klebba, Supervisor of the Financial Crimes Unit.

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