
**Hearing before the
Subcommittee on Government Operations
Committee on Oversight and Government Reform
United States House of Representatives**



**Statement of Julius Rothstein
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An Update on Mail Theft and Crime

July 23, 2025

Good afternoon, Chairman Sessions, Ranking Member Mfume, and members of the Subcommittee. My name is Julius Rothstein, and I am a Deputy Inspector General at the United States Postal Service Office of Inspector General. I was an organized crime prosecutor for close to 30 years, and prior to coming to the OIG, I led the DOJ's largest criminal intelligence center. I appreciate the opportunity to discuss the OIG's work related to mail theft.

The OIG's mission is promoting the integrity, accountability, and efficiency of the U.S. Postal Service and its regulator, the Postal Regulatory Commission. We have oversight responsibility for an agency with a workforce of almost 640,000 and revenue of \$80 billion per year. We are one of the most active OIGs when it comes to closing cases and securing convictions.

A significant focus of our oversight work involves audits and investigations into mail theft. While mail theft sometimes occurs by individuals working alone, it is often a complex, coordinated effort involving both postal employees and external criminal organizations. As a result, we work in close collaboration with other law enforcement agencies to disrupt and dismantle the entire network of offenders.

Given the volume and complexity of these cases, we must leverage cutting-edge technology and data analytics that allow us to efficiently focus our limited resources. One example is a powerful data tool we developed in collaboration with the financial services industry and the U.S. Treasury. It helps us pinpoint exactly where in the postal system checks and credit cards go missing. This tool has proven to be invaluable, allowing us to proactively identify mail theft. To date, this tool has identified around \$250 million in stolen financial instruments, leading us to open 75 investigations and obtain more than 35 indictments.

Our data analytics work supports both our audits and investigations into mail theft. In recent audits, we used analytics to target hot spots around the country. We also examined the Postal Service's response to mail theft nationally. We found that while

USPS has taken some positive steps towards mitigating mail theft, there remain opportunities for improvement. These include better management and tracking of its universal arrow keys, timely implementation of new technology, enhanced security and maintenance of mailboxes, and improved security management in postal facilities, such as restricting backpacks on the workroom floor.

Our analytics also support our investigations, focusing on stopping large-scale mail theft schemes where criminal organizations recruit postal employees, often through encrypted messaging apps and popular social media platforms, with the promise of quick and easy money. These employees' access to the mail allows them to steal mail containing checks, credit cards, and other financial instruments. Criminal groups then use these items to steal identities to commit forgery and fraud, or sell them, usually on social media platforms.

In one recent investigation in Alabama, we caught a postal employee who was recruited to steal checks mailed to local businesses. Her co-conspirator would alter the checks for a higher amount and then sell them on an encrypted messaging app. Together, they stole more than \$17 million from over 1,600 victims. As a result of our efforts, the postal employee was sentenced to five years in prison, and her co-conspirator received an eight-year sentence.

Sometimes, a single hotline complaint from your constituents can lead us to uncover a more complex scheme. A recent DC-area case started with a hotline complaint about a single stolen credit card. Through detailed analysis, we found a pattern of criminal activity and later linked it to other law enforcement investigations in the area. In collaboration with the U.S. Postal Inspection Service and the Montgomery County, Maryland, Police Department, we identified a postal worker and external collaborator who stole nearly 2,000 checks, credit cards, and money orders with a total estimated loss of \$2.8 million.

In another case, our special agents uncovered a large digital marketplace that sold stolen checks, including Treasury checks. This led to a joint federal and local law enforcement investigation in North Carolina, where we found a postal employee and external conspirators had stolen checks and sold them on the digital marketplace, costing victims more than \$24 million. This case inspired us to develop an analytics tool that leverages AI to automate our ability to identify and analyze suspected stolen checks. Our agents can now search for stolen checks in far less time, making them both more effective and efficient.

This is just a small sample of the work we do to protect the Postal Service, its employees, and the American public. Thank you again for the opportunity to talk about our work. I'm happy to answer any questions.