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May 26, 2021

Mr. Brian J. Wagner  
President  
National Association of Postal Supervisors  
1727 King Street, Suite 400  
Alexandria, VA 22314-2753

**Certified Mail Tracking Number:**  
7019 2280 0001 6261 1040

Dear Brian:

This letter is in further reference to the Postal Service's notice regarding the revisions to Handbook F-101, *Field Accounting Procedures*, Chapter 10.

As previously stated, the purpose of the revisions is to remove and/or update obsolete terminology, procedures and reporting technologies. The most recent notice on this initiative was dated February 3 (enclosed).

A subsequent review of the content resulted in additional revisions which were minor edits to correct grammatical errors and/or to modify the wording.

Enclosed is the revised copy of Handbook F-101, *Field Accounting Procedures*, Chapter 10, *Postal Money Orders*, one with and one without changes identified.

Please contact Dion Mealy at (202) 507-0193 if you have any questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon Richardson".

Shannon Richardson  
A/Manager  
Contract Administration (APWU)

Enclosures



February 3, 2021

Mr. Brian J. Wagner  
President  
National Association of Postal Supervisors  
1727 King Street, Suite 400  
Alexandria, VA 22314-2753

**Certified Mail Tracking Number:**  
7019 2280 0001 7461 4497

Dear Brian:

As a matter of general interest, the Postal Service plans to revise Handbook F-101, *Field Accounting Procedures*, Chapter 10.

The purpose of the revisions is to remove and/or update obsolete terminology, procedures and reporting technologies.

Enclosed is a copy of Handbook F-101, *Field Accounting Procedures*, Chapter 10, *Postal Money Orders*, one with and one without changes identified.

Please contact Dion Mealy at (202) 507-0193 if you have any questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon Richardson", with a long horizontal flourish extending to the right.

Shannon Richardson  
A/Manager  
Contract Administration (APWU)

Enclosures

# 10 Postal Money Orders

This chapter describes the responsibilities and procedures for handling domestic and international postal money orders. This chapter also includes the procedures for lost, stolen, spoiled, voided, and replacement money orders. This chapter includes the following subchapters:

Selling Domestic and International Money Orders	Selling Domestic and International Money Orders.
Cashing Domestic and International Money Orders	Cashing Domestic and International Money Orders.
Money Order Inquiries and Replacement	Money Order Inquiries and Replacement.
Lost or Stolen Money Order Stock and Imprinters	Lost or Stolen Money Order Stock and Imprinters.
Spoiled, Voided, and Destroyed Money Orders	Spoiled, Voided, and Destroyed Money Orders.
Money Order Voucher Retention	Money Order Voucher Retention.
Bait Money Orders	Bait Money Orders.

**Note:** There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to Appendix A.

## 10-1 Selling Domestic and International Money Orders

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### 10-1.1 General Information

#### 10-1.1.1 Authorized Payment Methods

Postal money orders can only be purchased using the following payment methods:

- a. United States (U.S.) currency.
- b. U.S. Treasury checks.
- c. American Express Travelers Cheques payable in U.S. dollars, and American Express Gift Cheques payable in U.S. dollars.

**Note:** The Postal Service accepts American Express Travelers Cheques and American Express Gift Cheques only when the customer uses at least 50 percent of the face value for the purchase of Postal Service products and services.

- d. A debit card that use a personal identification number (PIN) (i.e., a PIN-based debit card).

**Note:** The Postal Service *does not* offer a cash-back option when a customer uses a PIN-based debit card to purchase a money order *unless* the customer's purchase includes another revenue-generating transaction (such as the purchase of stamps).

- e. Electronic Benefit Transfer (EBT) cards.
- f. Payroll cards (i.e., a reloadable card onto which an employer loads an employee's wages).

### 10-1.1.2 Non-Authorized Payment Methods

The Postal Service does not allow customers to purchase postal money orders using the following payment methods:

- a. Gift cards (neither PIN-based nor non-PIN-based).
- b. Credit cards.
- c. Personal checks.
- d. Business checks.

### 10-1.1.3 Maximum amounts

The maximum amount of any single domestic money order is \$1,000.

The maximum amount of any single international money order is \$700.

A customer who wishes to purchase a total of at least \$3,000 of postal money orders, Sure Money, gift cards, or any other financial instrument during the same business day must complete PS Form 8105-A, *Funds Transaction Report (FTR)*. For more information, see 10-1.2.

### 10-1.1.4 Sales Procedures

When selling postal money orders, the retail associate (RA) must do the following:

- a. Ensure that money orders are printed with the current date.
- b. Report money order sales on PS Form 1412, *Daily Financial Report*, on the day of issue.

Use the AICs listed in Exhibit 10-1.1.4 to report money order sales and fees.

#### Exhibit 10-1.1.4

##### AICs for Reporting Money Order Sales and Fees

AIC	Master Title	Description
100	Domestic Money Order Sales — Value	Funds collected for the value of domestic money orders issued.
101	Domestic Money Order Sales — Fee	Funds collected for fees for domestic money orders issued.
102	International Money Order Sales — Value	Funds collected for the value of international money orders (MP1).
103	International Money Order Sales — Fee	Funds collected for the fees for international money orders (MP1).

**Note:** Employees cannot sell money orders to themselves. An employee who needs to purchase a money order must make the purchase through another available RA or must purchase it from another USPS retail unit.

### 10-1.1.5 Additional Information

See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) 509.3.0 for additional information on domestic money orders.

See *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM) 371 for additional information on international money orders (MP1s).

10-1.2

## **Bank Secrecy Act (Anti-Money Laundering Compliance)**

10-1.2.1

### **Overview**

To comply with the Bank Secrecy Act (BSA), an RA must ensure that a customer completes PS Form 8105-A and presents a valid identification (ID) when performing either of the following transactions:

- a. When completing a transaction for any USPS financial instrument (a postal money order, Sure Money, gift card, or any other financial instrument) totaling at least \$3,000 to the same customer on the same day.

**Notes:**

- 1) Fees charged for transactions do not count toward the \$3,000 filing threshold.
  - 2) Separate transactions to one customer over the course of 1 day count toward the \$3,000 filing threshold.
- b. When cashing money orders or U.S. Treasury checks totaling more than \$10,000 to the same customer on the same day.

### **10-1.2.2 Forms**

#### **10-1.2.2.1 PS Form 8105-A**

At e1412 postal retail units (PRUs) that print money orders using Paymaster Imprinters, an RA must submit a hard copy PS Form 8105-A, *Funds Transaction Report (FTR)*, on the same business day as the transaction is to occur.

At RSS and e1412 PRUs that print money orders using NCR printers, an RA must electronically submit PS Form 8105-A for a money order transaction. If a network issue prevents the RA from electronically submitting PS Form 8105-A, the RA must mail a hard copy PS Form 8105-A to the address on the form on the same business day as the transaction is to occur.

Each PRU must maintain a BSA log for any forms that must be mailed and processed locally. A sample tracking log is available on Corporate Treasury's Web site:

- a. Go to <http://blue.usps.gov/corptreasury>.
- b. Click on *Bank Secrecy Act Compliance*.
- c. Under "BSA Forms," click *PS Form 8105-A Tracking Log for Offices Using NCR Printer*.

If the electronic submission of PS Form 8105-A has failed, the RA must complete a hard copy of the form and must submit it to the address on the front of the form on the same day that the form is completed.

- a. Use the most current edition of PS Form 8105-A.
- b. Order forms from the Material Distribution Center (MDC).

#### **10-1.2.2.2 PS Form 8105-B**

The Postal Service uses PS Form 8105-B, *Suspicious Transaction Report (STR)*, to report any potentially suspicious activity. The RA that experiences such suspicious activity must complete PS Form 8105-B as soon as possible after the suspicious transaction or visit has ended.

**Note:** Federal law prohibits Postal Service personnel from notifying the customer that a suspicious report is being completed; therefore, RAs must wait until after the customer leaves the counter line before completing PS Form 8105-B, using either RSS or e1412.

If the electronic submission of PS Form 8105-B has failed, the RA must complete a hard copy of the form and must submit it to the address on the front of the form on the same day that the form is completed.

- a. Use the most current edition of PS Form 8105-B.
- b. Order forms from the Material Distribution Center (MDC).

### **10-1.2.3 Identification Requirements**

When completing PS Form 8105-A to purchase a USPS financial instrument, a customer must provide a Social Security number and a valid government-issued identification (ID) or an acceptable alternative.

The following numbers are acceptable alternatives for a Social Security number:

- a. A passport number.  
**Note:** If using a passport number, the customer must also enter the passport's country of issue on PS Form 8105-A, and the RA must enter the country into RSS or e1412.
- b. An alien registration number.
- c. An employer identification number (if the customer is purchasing a financial instrument on behalf of a business).
- d. A tax identification number.
- e. A NEXUS card number. (See the Glossary for a definition of "NEXUS.")

The following are acceptable forms of government-issued photo IDs:

- a. A photo ID card issued by the local, state, or federal government.
- b. A passport.
- c. An alien registration card.
- d. A military identification card.
- e. A Matricula Consular identification card issued by the government of Mexico.
- f. A VISA border-crossing card issued by the U.S. government.
- g. A NEXUS card.
- h. A tribal identification card issued by an Indian tribe in the United States.

Except for passports, Matricula Consular cards, and NEXUS cards, the Postal Service does not accept photo IDs from other countries.

To ensure the customer identification requirements are met, RAs must do the following:

- a. Verify that PS Form 8105-A is filled out completely.
- b. Verify that the customer's ID is valid.
- c. Sign PS Form 8105-A in the appropriate space as confirmation of the ID check.

Additional information on the BSA can be found on the USPS internal web site at

[http://blue.usps.gov/corptreasury/bsa/bsa\\_home.htm](http://blue.usps.gov/corptreasury/bsa/bsa_home.htm).

For questions related to the BSA, e-mail the Compliance Office at [bsa@usps.gov](mailto:bsa@usps.gov).

## **10-2 Cashing Domestic and International Money Orders**

### **10-2.1 Postal Retail Unit Procedures**

#### **10-2.1.1 Customer and Employee Actions**

##### **10-2.1.1.1 Customer Actions**

##### **10-2.1.1.1.1 Identification and Endorsement**

## Postal Money Orders

The customer seeking payment must be listed on the money order as either the payee (Pay To) or purchaser (From) — but see the exceptions listed in 10-2.1.1.2.2 — and must do the following:

- a. Present a photo ID.

**Note:** The RA must record the photo ID information on the face of the money order.

- b. Sign the money order in the presence of the RA.

The signature of the purchaser or payee must match the signature on the photo ID.

### 10-2.1.1.1.2 Alternate Person Providing Identification and Endorsement

There are some cases in which the person listed on a money order as the payee might not be available to provide a signature in order to cash the money order. In each of the various cases listed below, another appropriate person must present a photo ID and must sign the money order in the presence of the RA:

- a. For a money order payable to a customer who cannot write, a non-Postal Service witness.

**Note:** The customer may endorse the money order using a mark. Both the person listed on the money order and the non-Postal Service witness must provide ID.

- b. For a money order payable to a minor, a legal guardian (including the minor's father or mother).
- c. For a money order payable to a person declared incompetent by a court, the legal guardian or other duly authorized person. This person must submit a copy of the proof of authority, and the PRU must keep it on file.
- d. For a money order payable to a person who gave another person the power of attorney, the person with the power of attorney. This person must submit a copy of the power of attorney, and the PRU must keep it on file.
- e. For a money order payable to a deceased person, the executor or court-appointed administrator of an estate. This person must submit a copy of the appointment, and the PRU must keep it on file.

A money order with more than one endorsement is invalid (except as noted above). For endorsement location requirements, see 9-3.4.

### 10-2.1.1.2 Employee Actions

RSS and e1412 offices are integrated with Solution for Enterprise Asset Management (SEAM) to determine the validity of a money order.

PRU employees must cash domestic and international money orders in accordance with the following procedures as well as in accordance with any additional specific instructions from the postmaster or district.

- a. Use the applicable workflow in RSS or e1412 to determine if the money order is valid.

**Note:** If RSS and e1412 cannot connect with SEAM, manually verify the money order before cashing it. If necessary, call the Money Order Verification System at 866-459-7822 to validate issuance of a postal money order. (See Money Order Verification.)

- b. Verify that the money order is not on the Missing, Lost, or Stolen list in the current *Postal Bulletin*.
- c. Verify that the money order is authentic — see Notice 299, *Security Features of U.S. Postal Service Money Orders*. Check the money order security features for signs of alteration, counterfeiting, or fraud. (See Money Order Security Features.)
- d. Cash the money order only in the exact amount imprinted at time of issue, up to the authorized maximum amount.

**Notes:**

- 1) Domestic money orders do not have an expiration date.
- 2) The cashing employee must record the photo ID information on the face of the money order.

- 3) The use of a title (e.g., "Mr." or "Ms.") is not required when a customer endorses a money order.
- 4) For a money order made payable to more than one person, the Postal Service cashes it for either person if the conjunction "or" is used. However, if no conjunction appears on the money order, all persons named on the face of the item must sign and provide ID as required.
- 5) The Postal Service may refuse to issue payment on any money order when the identity of the customer seeking payment is not proved to the satisfaction of the Postal Service employee.
- 6) If the total amount of money orders cashed by a single customer in a single day is more than \$10,000, the customer must complete PS Form 8105-A.

#### **10-2.1.1.3 Stolen, Altered, Counterfeit, or Fraudulent Money Orders**

If a customer presents a stolen, altered, counterfeit, or fraudulent money order for payment, the USPS employee must do the following:

- a. If there is a "holdup camera," activate it.
- b. Stall the customer if possible — perhaps state that you need to get change or more money or another similar excuse.
- c. Notify your supervisor and the U.S. Postal Inspection Service (USPIS).
- d. Call the local police.
- e. If threatened, call your supervisor. *Do not endanger yourself.*
- f. Ask the customer if you can keep the money order. If the customer agrees, retain the money order and offer the customer a receipt from RSS or e1412. If the customer objects, ask if you can make a photo copy of the money order — if the customer still objects, just return the money order to the customer.
- g. If the customer agrees to let you retain the money order, protect the money order from unnecessary handling by placing it in an envelope.
- h. Complete and submit PS Form 8105-B, *Suspicious Transaction Report (STR)*. (See 10-1.2.2.2.)

**Note:** If you have concerns about accepting a postal money order, call the USPIS fraud hotline at 877-876-2455 — the hotline is available in all time zones from 8 A.M. to 4:30 P.M. — and select option 4 for mail fraud issues. For additional information, visit <http://postalinspectors.uspis.gov>.

#### **10-2.1.1.4 Additional Requirements for International Money Orders**

USPS employees must follow the additional requirements when cashing international postal money orders:

- a. Verify that the amount is indicated in U.S. dollars.
- b. Do not cash an international money order after the validity or expiration date.
- c. Cash a USPS-issued international money order only for the purchaser or the payee.
- d. Follow all other procedures for cashing international postal money orders — note that payment is in accordance with the procedures for cashing domestic money orders.

**Note:** The Postal Service exchanges international postal money orders with countries using the pink International Postal Money Order (Form MP1). See IMM 371 for a list of countries that exchange these forms.

#### **10-2.2**

### **Money Order Security Features**

To determine if a money order is authentic, hold the money order up to the light and look for the following security features:



## Postal Money Orders

- a. Ben Franklin images (watermarks) repeated on the left side (top to bottom). Watermarks are in the paper and appear when viewed from the *front or back* of the money order when held up to the light.
- b. A dark security thread running top to bottom and to the right of the Ben Franklin watermarks with tiny letters "USPS" facing backward and forward.

If these security features are not present when you hold the money order up to the light, the postal money order is fraudulent.

Also, be aware of the following potential areas for fraud:

- a. Denominations are indicated on two locations and must be identical. Look for alterations in both places.
- b. Discoloration of a denomination amount indicates erasure — i.e., a fraudulent money order.
- c. The maximum value for a domestic postal money order is \$1,000.

*Note:* You can call the Money Order Verification System to validate the issuance of a postal money order (see Money Order Verification ).

For more information, see Notice 299, *Security Features of U.S. Postal Service Money Orders*.

10-2.3

### Money Order Verification

The Money Order Verification System is an interactive voice response (IVR) system to help deter fraud — note, though, that it is only an additional tool to help prevent fraud. The IVR system can assist PRUs and financial institutions when validating postal money orders.

To inquire on the validity of a recently issued money order, do the following:

- a. Call the Money Order Verification System at 866-459-7822.
- b. Press 1 for Money Order Verification.
- c. Enter the following information when prompted:
  1. The 11-digit money order serial number.
  2. The exact dollar amount of the money order.
  3. The issue ID number.

You can also validate money orders at <https://tools.usps.com/money-orders.htm>.

See the Money Order Verification System Frequently Asked Questions at <http://blue.usps.gov/accounting/pdf/MoneyOrderIVRFAQs.pdf>.

An employee who has the RSS supervisor role may check the status of a money order using the appropriate workflow.

## 10-3 Money Order Inquiries and Replacement

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10-3.1

### Inquiries

#### 10-3.1.1 General Information

A customer who wants to inquire about the status of a domestic or international postal money order must complete PS Form 6401, *Money Order Inquiry*. The customer may inquire at any time, but must possess the original money order customer's receipt.

For each money order serial number, the customer must use one PS Form 6401 and must pay a separate fee. (See DMM 509.3.3.9.)

The back of PS Form 6401 includes instructions and filing procedures.

For information on ordering the latest version of PS Form 6401, go to <http://blue.usps.gov/accounting/customerservice.htm>.

The customer must present the original detached money order customer's receipt before completing PS Form 6401, and the RA must sign the bottom of PS Form 6401 verifying that the customer presented the receipt.

A customer may submit PS Form 6401 any time — a waiting period is not required. It takes 7 days for the system to register a submitted PS Form 6401. Electronic versions (e6401) submitted using the RSS or e1412 workflow register in the system in 2 days.

### **10-3.1.2 Processing PS Form 6401**

#### **10-3.1.2.1 Using e1412**

To process a PS Form 6401 using e1412, the RA does the following:

- a. Enter the required customer information from the customer-completed PS Form 6401 using the e1412 money order inquiry workflow.
- b. Collect and account for the fee using the e1412 money order inquiry workflow.
- c. Once the transaction is complete, return the following items to the customer for his or her records:
  1. The customer-completed PS Form 6401. **Note:** Do not retain a copy of PS Form 6401.
  2. The customer's copy of PS Form 3544, *USPS Receipt for Money or Services* (a receipt showing that the customer paid the inquiry fee).
  3. The original money order customer's receipt.

#### **10-3.1.2.2 Using RSS**

To process a PS Form 6401 using RSS, the RA does the following:

- a. Enter the required customer information from the customer-completed PS Form 6401 using the RSS money order inquiry workflow.
- b. Direct the customer to verify that the information is correct and provide a customer signature using the customer display screen.
- c. Collect and account for the fee using the RSS money order inquiry workflow.
- d. Once the transaction is complete, return the following items to the customer for his or her records:
  1. The customer-completed PS Form 6401. **Note:** Do not retain a copy of PS Form 6401.
  2. The original money order customer's receipt.
  3. The system-generated receipt.

#### **10-3.1.2.3 Further Processing Actions**

The Postal Service processes a PS Form 6401 as follows:

- a. If the money order (either domestic or international) has not been cashed, the Postal Service issues a replacement check to the name and address printed on PS Form 6401 no sooner than 10 days after the date that the original money order was issued.

**Note:** If the Postal Service issues a replacement check, and if both the replacement check and the original money order are subsequently cashed, the Postal Service either invoices the customer who requested the replacement check or recovers the funds from the bank account of the payee.
- b. If the money order has been cashed, the Postal Service provides a photocopy of the money order to the name and address printed on PS Form 6401.

A PRU may check the status of a previously submitted PS Form 6401 by using the appropriate RSS or e1412 money order inquiry workflow. A PRU may also direct questions about postal money orders or the

## Postal Money Orders

status of a filed PS Form 6401 to the Accounting Help Desk at 866-974-2733 — note, though, that the Accounting Help Desk does not provide status information on a money order if it has not received PS Form 6401 from the customer.

PS Form 6401 may not be duplicated.

10-3.2

### Replacements

#### 10-3.2.1 Original Customer Receipt Available

##### 10-3.2.1.1 General Information

If a domestic or international postal money order is mutilated or damaged and the customer has the damaged money order and the original customer's receipt from the money order, the PRU may issue a no-fee replacement.

To request a no-fee replacement, the customer must do the following:

- a. Present the damaged postal money order and the matching postal money order customer's receipt at the PRU.
- b. Complete and sign PS Form 6401 for a no-fee replacement money order.

##### 10-3.2.1.2 e1412

To issue and process a no-fee replacement money order using e1412, the RA must do the following:

- a. Accept the completed, signed, and dated PS Form 6401 from the customer.
- b. Issue a no-fee replacement money order to the customer for the amount of the mutilated money order using the e1412 Money Order workflow.
- c. Ensure that PS Form 1412 reflects the following entries:
  1. AIC 641 for the amount of the replacement money order.
  2. AIC 586 for the amount of the replacement money order fee. Use Reason Code 32, Money Order Replacement.
- d. Once the transaction is complete, return the customer-completed PS Form 6401 to the customer for his or her records.
- e. Submit the damaged postal money order and money order receipt to the closeout employee with PS Form 1412.

**Note:** The postmaster, manager, supervisor, or designated employee must destroy and dispose of the damaged or mutilated postal money order and money order receipt.

##### 10-3.2.1.3 RSS

To issue a no-fee replacement using RSS, the RA must do the following:

- a. Enter the required customer information from the customer-completed PS Form 6401 using the RSS money order replacement workflow.
- b. Once the transaction is complete, return the customer completed PS Form 6401 to the customer for his or her records.
- c. Submit the RSS system-generated receipt, the damaged postal money order, and the detached money order customer's receipt to the closeout employee with PS Form 1412.

The postmaster, manager, supervisor, or designated employee must do the following:

- a. Verify the money order data and entry to AIC 641.
- b. Destroy and dispose of the damaged or mutilated postal money order and money order receipt.

#### 10-3.2.2 Original Customer Receipt NOT Available

If a customer presenting a mutilated or damaged money order does *not* have the original customer's receipt from the money order, the PRU *cannot* issue a no-fee replacement money order — however, the customer can still request a replacement money order *without* incurring a fee. The process for this is as follows:

- a. The customer must complete PS Form 6401 as instructed on the back of the form.
- b. The RA attaches the mutilated money order to the customer-completed PS Form 6401 and mails both to the following address.

GENERAL ACCOUNTING BRANCH  
ACCOUNTING SERVICE CENTER  
PO BOX 80453  
ST. LOUIS, MO 63180-0453

- c. The RA does *not* charge the customer a fee.

When the mutilated money order is attached to the PS Form 6401, the Postal Service issues a replacement check to the name and address printed on PS Form 6401 without having to wait 10 days after the date that the original money order was issued.

## 10-4 Lost or Stolen Money Order Stock and Imprinters

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### 10-4.1

### Lost or Stolen Money Orders

An RA who discovers that unissued postal money orders are missing or have been stolen must do the following:

- a. Notify the USPIS immediately, providing the associated facts and the serial number ranges of the lost or stolen postal money orders.
- b. Enter the missing money orders in the reporting technology used to report PS Form 1412.

Information about lost and stolen money orders is available at <https://tools.usps.com/money-orders.htm> or by calling the Money Order Verification System at 866-459-7822.

**Note:** Upon recovery of any lost or stolen money orders, notify the USPIS immediately. Failure to notify the USPIS can cause adverse action when the customer cashes or attempts to cash the money order.

### 10-4.2

### Lost or Stolen Money Order Imprinters

When Paymaster or NCR money order imprinters are missing or have been stolen, PRU employees must do the following:

- a. Notify the USPIS immediately, providing the associated facts and serial numbers of missing devices.
- b. Contact the district office for replacement equipment.

**Note:** To coordinate replacement equipment, the district office must contact the MDC at 800-332-0317, option 4, option 4.

- c. Notify the USPIS immediately if any equipment is recovered.

## 10-5 Spoiled, Voided, and Destroyed Money Orders

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10-5.1

### Postal Retail Unit Procedures

A PRU may void a postal money order only in the event of USPS error, and only on the same day by the same clerk. A PRU may not void a money order at the request of a customer for any reason — there are no exceptions. Rather than voiding a money order, a PRU may do the following:

- a. If a customer returns a money order, the PRU must cash the money order — but only after the customer has presented photo identification. (See Error! Reference source not found.)
- b. If a customer presents a mutilated or damaged money order, the PRU may replace it, but may not cash it.
- c. If a customer requests a new postal money order for the returned money order, the PRU must charge the money order fee, even if the customer requests the new postal money order on the same day by the same clerk.

A PRU may not issue a no-fee postal money order for a customer-requested return.

Spoiled or voided money orders include the following:

- a. A money order that has been marked "spoiled" or "voided" by a PRU employee.
- b. A money order that has been voided in the reporting technology system used by the PRU.

*Note:* For money orders damaged after purchase, see Replacements.

Regardless of the reporting technology used, the PRU must process a spoiled or voided money order as follows:

- a. The RA accountable for the money order serial number must mark all parts of the money order immediately as spoiled or voided.
- b. The RA must submit all parts of the money order as supporting documentation to the closeout employee for verification of the unit's consolidated PS Form 1412.
- c. The postmaster, manager, supervisor, or designated employee must destroy all parts of the money order locally by shredding.

*Note:* For blank money order stock that has been damaged, see 11-12.5.

10-5.2

### Contract Postal Unit Procedures

A contract postal unit (CPU) authorized to sell money orders must process a spoiled or voided money order as follows:

- a. Mark all parts of the money order immediately as spoiled or voided.
- b. Submit all parts of the spoiled or voided money order to the host Post Office as supporting documentation for PS Form 1412 at the end of each business day.

The host Post Office does the following:

- a. Verify the supporting documents and PS Form 1412.
- b. Destroy the spoiled or voided money order by shredding it.

## 10-6 Money Order Voucher Retention

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A PRU that uses an electronic financial reporting system to transmit daily money order sales must not submit the money order vouchers to the General Accounting Branch unless specifically requested by the General Accounting Branch.

The PRU must retain money order reports locally with PS Form 1412 supporting documentation.

## **10-7 Bait Money Orders**

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For information on money orders or to obtain a copy of the most current management instruction on bait money orders, contact the USPIS or write to the following address:

INSPECTOR IN CHARGE  
MAIL THEFT AND VIOLENT CRIMES GROUP  
US POSTAL INSPECTION SERVICE  
475 L'ENFANT PLZ WEST SW RM 3521  
WASHINGTON DC 20260-2168

# 10 Postal Money Orders

This chapter describes the responsibilities and procedures for handling domestic and international postal money orders. This chapter also includes the procedures for lost, stolen, spoiled, voided, and replacement money orders. This chapter includes the following subchapters:

[Selling Domestic and International Money Orders10-1](#) [Selling Domestic and International Money OrdersSelling Domestic and International Money Orders.](#)

[Cashing Domestic and International Money Orders10-2](#) [Cashing Domestic and International Money OrdersCashing Domestic and International Money Orders.](#)

[Money Order Inquiries and Replacement10-3](#) [Money Order Inquiries and ReplacementMoney Order Inquiries and Replacement.](#)

[Lost or Stolen Money Order Stock and Imprinters10-4](#) [Lost or Stolen Money Order Stock and ImprintersLost or Stolen Money Order Stock and Imprinters.](#)

[Spoiled, Voided, and Destroyed Money Orders10-5](#) [Spoiled, Voided, and Destroyed Money OrdersSpoiled, Voided, and Destroyed Money Orders.](#)

[Money Order Voucher Retention10-6](#) [Money Order Voucher RetentionMoney Order Voucher Retention.](#)

[Bait Money Orders10-7](#) [Bait Money OrdersBait Money Orders.](#)

**Note:** There are account identifier codes (AICs) used throughout this chapter. For the titles and descriptions of AICs that are currently in use, refer to Appendix A.

## 10-1 Selling Domestic and International Money Orders

10-1.1

### General Information

10-1.1.1

#### Authorized Payment Methods

Postal money orders can only be purchased using the following payment methods:

- United States (U.S.) currency.
- U.S. Treasury checks.
- American Express Travelers Cheques payable in U.S. dollars, and American Express Gift Cheques payable in U.S. dollars.

**Note:** The Postal Service accepts American Express Travelers Cheques and American Express Gift Cheques only when the customer uses at least 50 percent of the face value for the purchase of Postal Service products and services.

- A debit card that use a personal identification number (PIN) (i.e., a PIN-based debit card).



**Note:** The Postal Service *does not* offer a cash-back option when a customer uses a PIN-based debit card to purchase a money order *unless* the customer's purchase includes another revenue-generating transaction (such as the purchase of stamps).

- e. Electronic Benefit ~~Transaction Cards~~ Transfer (EBT) cards.
- f. Payroll cards ~~—A(i.e., a~~ reloadable card onto which an employer loads an employee's wages~~—).~~

### 10-1.1.2 Non-Authorized Payment Methods

The Postal Service does not allow customers to purchase postal money orders using the following payment methods:

- a. Gift cards (neither PIN-based nor non-PIN-based).
- b. Credit cards.
- c. Personal checks.
- d. Business checks.

### 10-1.1.3 Maximum amounts

The maximum amount of any single domestic money order is \$1,000.

The maximum amount of any single international money order is \$700.

A customer who wishes to purchase a total of at least \$3,000 ~~or more~~ of postal money orders, Sure Money, gift cards, or any other financial instrument during the same business day must complete PS Form 8105-A, *Funds Transaction Report (FTR)*. For more information, see 10-1.2.2.110-1.2.

### 10-1.1.4 Sales Procedures

When selling postal money orders, the retail associate (RA) must do the following:

- a. Ensure that money orders are printed with the current date.
- b. Report money order sales on PS Form 1412, *Daily Financial Report*, on the day of issue.

Use the AICs listed in Exhibit 10-1.1.4 to report money order sales and fees.

#### Exhibit 10-1.1.4

#### AICs for Reporting Money Order Sales and Fees

AIC	Master Title	Description
100	Domestic Money Order Sales — Value	Funds collected for the value of domestic money orders issued.
101	Domestic Money Order Sales — Fee	Funds collected for fees for domestic money orders issued.
102	International Money Order Sales — Value	Funds collected for the value of international money orders (MP1).
103	International Money Order Sales — Fee	Funds collected for the fees for international money orders (MP1).

**Note:** Employees cannot sell money orders to themselves. An employee who needs to purchase a money order must make the purchase through another available RA or must purchase it from another USPS retail unit.



### 10-1.1.5 Additional Information

See *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) 509.3.0 for additional information on domestic money orders.

See *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM) 371 for additional information on international money orders (MP1s).

10-1.2

## Bank Secrecy Act (Anti-Money Laundering Compliance)

10-1.2.1

### Overview

To comply with the Bank Secrecy Act (BSA), an RA must ensure that a customer completes PS Form 8105-A and presents a valid identification (ID) when performing either of the following transactions:

- a. When completing a transaction for any USPS financial instrument (a postal money order, Sure Money, gift card, or any other financial instrument) totaling at least \$3,000 ~~or more~~ to the same customer on the same day.

#### Notes:

- 1) Fees charged for transactions do not count toward the \$3,000 filing threshold.
  - 2) Separate transactions to one customer over the course of 1 day count toward the \$3,000 filing threshold.
- b. When cashing money orders or U.S. Treasury checks totaling more than \$10,000 to the same customer on the same day.

### 10-1.2.2 Forms

#### 10-1.2.2.1 PS Form 8105-A

At e1412 postal retail units (PRUs) that print money orders using Paymaster Imprinters, an RA must submit a hard copy PS Form 8105-A, *Funds Transaction Report (FTR)*, on the same business day as the transaction is to occur.

At RSS and e1412 PRUs that print money orders using NCR printers, an RA must electronically submit PS Form 8105-A for a money order transaction. If a network issue prevents the RA from electronically submitting PS Form 8105-A, the RA must submit mail a hard copy PS Form 8105-A to the address on the form on the same business day as the transaction is to occur. ~~The 8105-A form must be mailed to the address on the form.~~

Each PRU must maintain a BSA log for any forms that must be mailed and processed locally. A sample tracking log is available on Corporate Treasury's Web site:

- a. Go to <http://blue.usps.gov/corptreasury>.
- b. Click on *Bank Secrecy Act Compliance*.
- c. Under "BSA Forms," click *PS Form 8105-A Tracking Log for Offices Using NCR Printer*.

If the electronic submission of PS Forms 8105-A has failed, the RA must complete a hard copy of the form and must submit it to the address on the front of the form on the same day that the form is completed.

- a. Use the most current edition of PS Forms 8105-A.
- b. Order forms from the Material Distribution Center (MDC).

### 10-1.2.2.2 PS Form 8105-B

The Postal Service uses PS Form 8105-B, *Suspicious Transaction Report (STR)*, to report any potentially suspicious activity. The RA that experiences such suspicious activity must complete PS Form 8105-B as soon as possible after the suspicious transaction or visit has ended.

**Note:** Federal law prohibits Postal Service personnel from notifying the customer that a suspicious report is being completed; therefore, RAs must wait until after the customer leaves the counter line before completing PS Form 8105-B, using either RSS or e1412.

If the electronic submission of PS Form 8105-B has failed, the RA must complete a hard copy of the form and must submit it to the address on the front of the form on the same day that the form is completed.

- a. Use the most current edition of PS ~~Forms 8105-A and 8105-B~~ Form 8105-B.
- b. Order forms from the Material Distribution Center (MDC).

### 10-1.2.3 Identification Requirements

When completing PS Form 8105-A to purchase a USPS financial instrument, a customer must provide a Social Security number and a valid government-issued identification (ID) or an acceptable alternative.

The following numbers are acceptable alternatives for a Social Security number:

- a. A passport number.  
**Note:** If using a passport number, the customer must also enter the passport's country of issue on PS Form 8105-A, and the RA must enter the country into RSS or e1412.
- b. An alien registration number.
- c. An employer identification number (if the customer is purchasing a financial instrument on behalf of a business).
- d. A tax identification number.
- e. A NEXUS card number. (See the Glossary for a definition of "NEXUS.")

The following are acceptable forms of government-issued photo IDs:

- a. A photo ID card issued by the local, state, or federal government.
- b. A passport.
- c. An alien registration card.
- d. A military identification card.
- e. A Matricula Consular identification card issued by the government of Mexico.
- f. A VISA border-crossing card issued by the U.S. government.
- g. A NEXUS card.
- h. A tribal identification card issued by an Indian tribe in the United States.

Except for passports, Matricula Consular cards, and NEXUS cards, the Postal Service does not accept photo IDs from other countries.

To ensure the customer identification requirements are met, RAs must do the following:

- a. Verify that PS Form 8105-A is filled out completely.
- b. Verify that the customer's ID is valid.
- c. Sign PS Form 8105-A in the appropriate space as confirmation of the ID check.

Additional information on the BSA can be found on the USPS internal web site at

[http://blue.usps.gov/corptreasury/bsa/bsa\\_home.htm](http://blue.usps.gov/corptreasury/bsa/bsa_home.htm).



For questions related to the BSA, e-mail the Compliance Office at [bsa@usps.gov](mailto:bsa@usps.gov).

## 10-2 Cashing Domestic and International Money Orders

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### 10-2.1 Postal Retail Unit Procedures

#### 10-2.1.1 Customer and Employee Actions

##### 10-2.1.1.1 Customer Actions

###### 10-2.1.1.1.1 Identification and Endorsement

The customer seeking payment must be listed on the money order as either the payee (Pay To) or purchaser (From) — but see the exceptions listed in 10-2.1.1.2.2 — and must do the following:

- a. Present a photo ID.  
**Note:** The RA must record the photo ID information on the face of the money order.
- b. Sign the money order in the presence of the RA.

The signature of the purchaser or payee must match the signature on the photo ID.

###### 10-2.1.1.1.2 Alternate Person Providing Identification and Endorsement

There are some cases in which the person listed on a money order as the payee might not be available to provide a signature in order to cash the money order. In each of the various cases listed below, another appropriate person must present a photo ID and must sign the money order in the presence of the RA:

- a. For a money order payable to a customer who cannot write, a non-Postal Service witness.  
**Note:** The customer may endorse the money order using a mark. Both the person listed on the money order and the non-Postal Service witness must provide ID.
- b. For a money order payable to a minor, a legal guardian (including the minor's father or mother).
- c. For a money order payable to a person declared incompetent by a court, the legal guardian or other duly authorized person. This person must submit a copy of the proof of authority, and the PRU must keep it on file.
- d. For a money order payable to a person who gave another person the power of attorney, the person with the power of attorney. This person must submit a copy of the power of attorney, and the PRU must keep it on file.
- e. For a money order payable to a deceased person, the executor or court-appointed administrator of an estate. This person must submit a copy of the appointment, and the PRU must keep it on file.

A money order with more than one endorsement is invalid (except as noted above). For endorsement location requirements, see [9-3.4](#).

###### 10-2.1.1.2 Employee Actions

RSS and e1412 offices are integrated with Solution for Enterprise Asset Management (SEAM) to determine the validity of a money order.

PRU employees must cash domestic and international money orders in accordance with the following procedures as well as in accordance with any additional specific instructions from the postmaster or district.

- a. Use the applicable workflow in RSS or e1412 to determine if the money order is valid.

**Note:** If RSS and e1412 cannot connect with SEAM, manually verify the money order before cashing it. If necessary, call the Money Order Verification System at 866-459-7822 to validate issuance of a postal money order. (See [Money Order Verification 10-2.3.](#))

- b. Verify that the money order is not on the Missing, Lost, or Stolen list in the current *Postal Bulletin*.
- c. Verify that the money order is authentic — see Notice 299, *Security Features of U.S. Postal Service Money Orders*. Check the money order security features for signs of alteration, counterfeiting, or fraud. (See [Money Order Security Features 10-2.2.](#))
- d. Cash the money order only in the exact amount imprinted at time of issue, up to the authorized maximum amount.

**Notes:**

- 1) Domestic money orders do not have an expiration date.
- 2) The cashing employee must record the photo ID information on the face of the money order.
- 3) The use of a title (e.g., “Mr.” or “Ms.”) is not required when a customer endorses a money order.
- 4) For a money order made payable to more than one person, the Postal Service cashes it for either person if the conjunction “or” is used. However, if no conjunction appears on the money order, all persons named on the face of the item must sign and provide ID as required.
- 5) The Postal Service may refuse to issue payment on any money order when the identity of the customer seeking payment is not proved to the satisfaction of the Postal Service employee.
- 6) If the **total** amount of money orders cashed by a single customer in a single day **totalis** more than \$10,000, the customer must complete **an USPS Form 8105-A.**

#### 10-2.1.1.3 Stolen, Altered, Counterfeit, or Fraudulent Money Orders

If a customer presents a stolen, altered, counterfeit, or fraudulent money order for payment, the USPS employee must do the following:

- a. If there is a “holdup camera,” activate it.
- b. Stall the customer if possible — perhaps state that you need to get change or more money or another similar excuse.
- c. Notify your supervisor and the U.S. Postal Inspection Service (USPIS).
- d. ~~Call the local police.~~
- e. If threatened, call your supervisor. *Do not endanger yourself.*
- f. ~~Request to~~ Ask the customer if you can keep the money order. If the customer agrees, retain the money order and offer the customer a receipt from RSS or e1412. If the customer objects, ~~the USPS employee should ask if you can~~ make a photo copy of the money order (if it is safe — if the customer still objects, just return the money order to de-so) the customer.
- g. ~~Protect~~ If the customer agrees to let you retain the money order, protect the money order from unnecessary handling by placing it in an envelope.
- h. Complete and submit PS Form 8105-B, *Suspicious Transaction Report (STR)*. (See [10-1.2.2.2.](#))

**Note:** If you have concerns about accepting a postal money order, call the USPIS fraud hotline at 877-876-2455 — the hotline is available in all time zones from 8 A.M. to 4:30 P.M. — and select option 4 for mail fraud issues. For additional information, visit <http://postalinspectors.uspis.gov>.

#### 10-2.1.1.4 Additional Requirements for International Money Orders

USPS employees must follow the additional requirements when cashing international postal money orders:



## Postal Money Orders

- b. Direct the customer to verify that the information is correct and provide a customer signature using the customer display screen.
- c. Collect and account for the fee using the RSS money order inquiry workflow.
- d. Once the transaction is complete, return the following items to the customer for his or her records:
  1. The customer-completed PS Form 6401. **Note:** Do not retain a copy of PS Form 6401.
  2. The original money order customer's receipt.
  3. The system-generated receipt.

### 10-3.1.2.3 Further Processing Actions

The Postal Service processes a PS Form 6401 as follows:

- a. If the money order (either domestic or international) has not been cashed, the Postal Service issues a replacement check to the name and address printed on PS Form 6401 no sooner than 10 days after the date that the original money order was issued.

**Note:** If the Postal Service issues a replacement check, and if both the replacement check and the original money order are subsequently cashed, the Postal Service either invoices the customer who requested the replacement check or ~~the Postal Service~~ recovers the funds from the bank account of the payee.

- b. If the money order has been cashed, the Postal Service provides a photocopy of the money order to the name and address printed on PS Form 6401.

A PRU may check the status of a previously submitted PS Form 6401 by using the appropriate RSS or e1412 money order inquiry workflow. A PRU may also direct questions about postal money orders or the status of a filed PS Form 6401 to the Accounting Help Desk at 866-974-2733 — note, though, that the Accounting Help Desk does not provide status information on a money order if it has not received PS Form 6401 from the customer.

PS Form 6401 may not be duplicated.

10-3.2

## Replacements

### 10-3.2.1 Original Customer Receipt Available

#### 10-3.2.1.1 General Information

If a domestic or international postal money order is mutilated or damaged and the customer has the damaged money order and the original customer's receipt from the money order, the PRU may issue a no-fee replacement.

To request a no-fee replacement, the customer must do the following:

- a. Present the damaged postal money order and the matching postal money order customer's receipt at the PRU.
- b. Complete and sign PS Form 6401 for a no-fee replacement money order.

#### 10-3.2.1.2 e1412

To issue and process a no-fee replacement money order using e1412, the RA must do the following:

- a. Accept the completed, signed, and dated PS Form 6401 from the customer.
- b. Issue a no-fee replacement money order to the customer for the amount of the mutilated money order using the e1412 Money Order workflow.
- c. Ensure that PS Form 1412 reflects the following entries:

1. AIC 641 for the amount of the replacement money order.
2. AIC 586 for the amount of the replacement money order fee. Use Reason Code 32, Money Order Replacement.
- d. Once the transaction is complete, return the customer-completed PS Form 6401 to the customer for his or her records.
- e. Submit the damaged postal money order and money order receipt to the closeout employee with PS Form 1412.

**Note:** The postmaster, manager, supervisor, or designated employee must destroy and dispose of the damaged or mutilated postal money order and money order receipt.

### 10-3.2.1.3 RSS

To issue a no-fee replacement using RSS, the RA must do the following:

- a. Enter the required customer information from the customer-completed PS Form 6401 using the RSS money order replacement workflow.
- b. Once the transaction is complete, return the customer completed PS Form 6401 to the customer for his or her records.
- c. Submit the RSS system-generated receipt, the damaged postal money order, and the detached money order customer's receipt to the closeout employee with PS Form 1412.

The postmaster, manager, supervisor, or designated employee must do the following:

- a. Verify the money order data and entry to AIC 641.
- b. Destroy and dispose of the damaged or mutilated postal money order and money order receipt.

### 10-3.2.2 Original Customer Receipt NOT Available

If a customer presenting a mutilated or damaged money order does *not* have the original customer's receipt from the money order, the PRU *cannot* issue a no-fee replacement money order — however, the customer can still request a replacement money order *without* incurring a fee. The process for this is as follows:

- a. The customer must complete PS Form 6401 as instructed on the back of the form.
- b. The RA attaches the mutilated money order to the customer-completed PS Form 6401 and mails both to the following address.  
GENERAL ACCOUNTING BRANCH  
ACCOUNTING SERVICE CENTER  
PO BOX 80453  
ST. LOUIS, MO 63180-0453
- c. The RA does *not* charge the customer a fee.

When the mutilated money order is attached to the PS Form 6401, the Postal Service issues a replacement check to the name and address printed on PS Form 6401 without having to wait 10 days after the date that the original money order was issued.

## 10-4 Lost or Stolen Money Order Stock and Imprinters

### 10-4.1

### Lost or Stolen Money Orders

An RA who discovers that unissued postal money orders are missing or have been stolen must do the following:



## Postal Money Orders

- a. Notify the USPIS immediately, providing the associated facts and the serial number ranges of the lost or stolen postal money orders.
- b. Enter the missing money orders in the reporting technology used to report PS Form 1412.

DataInformation about lost and stolen money orders is available ~~on~~at [USPS.comhttps://tools.usps.com/money-orders.htm](https://tools.usps.com/money-orders.htm) or by calling the Money Order Verification System at 866-459-7822.

**Note:** Upon recovery of any lost or stolen money orders, notify the USPIS immediately. Failure to notify the USPIS can cause adverse action when the customer cashes or attempts to cash the money order.

10-4.2

### Lost or Stolen Money Order Imprinters

When Paymaster or NCR money order imprinters are missing or have been stolen, PRU employees must do the following:

- a. Notify the USPIS immediately, providing the associated facts and serial numbers of missing devices.
- b. Contact the district office for replacement equipment.

**Note:** To coordinate replacement equipment, the district office must contact the MDC at 800-332-0317, option 4, option 4.

- c. Notify the USPIS immediately if any equipment is recovered.

## 10-5 Spoiled, Voided, and Destroyed Money Orders

10-5.1

### Postal Retail Unit Procedures

A PRU may void a postal money order only in the event of USPS error, and only on the same day by the same clerk. A PRU may not void a money order at the request of a customer for any reason — there are no exceptions. Rather than voiding a money order, a PRU may do the following:

- a. If a customer returns a money order, the PRU must cash the money order — but only after the customer has presented photo identification. (See [Error! Reference source not found.10-2.1.1.](#))
- b. If a customer presents a mutilated or damaged money order, the PRU may replace it, but may not cash it.
- c. If a customer requests a new postal money order for the returned money order, the PRU must charge the money order fee, even if the customer requests the new postal money order on the same day by the same clerk.

A PRU may not issue a no-fee postal money order for a customer-requested return.

Spoiled or voided money orders include the following:

- a. A money order that has been marked “spoiled” or “voided” by a PRU employee.
- b. A money order that has been voided in the reporting technology system used by the PRU.

**Note:** For money orders damaged after purchase, see [Replacements10-3.2.](#)

Regardless of the reporting technology used, the PRU must process a spoiled or voided money order as follows:

- a. The RA accountable for the money order serial number must mark all parts of the money order immediately as spoiled or voided.

- b. The RA must submit all parts of the money order as supporting documentation to the closeout employee for verification of the unit's consolidated PS Form 1412.
- c. The postmaster, manager, supervisor, or designated employee must destroy all parts of the money order locally by shredding.

**Note:** For blank money order stock that has been damaged, see 11-12.5.

10-5.2

### Contract Postal Unit Procedures

A contract postal unit (CPU) authorized to sell money orders must process a spoiled or voided money order as follows:

- a. Mark all parts of the money order immediately as spoiled or voided.
- b. Submit all parts of the spoiled or voided money order to the host Post Office as supporting documentation for PS Form 1412 at the end of each business day.

The host Post Office does the following:

- a. Verify the supporting documents and PS Form 1412.
- b. Destroy the spoiled or voided money order by shredding it.

## 10-6 Money Order Voucher Retention

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A PRU that uses an electronic financial reporting system to transmit daily money order sales must not submit the money order vouchers to the General Accounting Branch unless specifically requested by the General Accounting Branch.

The PRU must retain money order reports locally with PS Form 1412 supporting documentation.

## 10-7 Bait Money Orders

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For information on money orders or to obtain a copy of the most current management instruction on bait money orders, contact the USPIS or write to the following address:

INSPECTOR IN CHARGE  
MAIL THEFT AND VIOLENT CRIMES GROUP  
US POSTAL INSPECTION SERVICE  
475 L'ENFANT PLZ WEST SW RM 3521  
WASHINGTON DC 20260-2168