The Fraud Fighter Who Became the Fraudster

Postal inspector charged with stealing $330,000 from elderly scam victims he was supposed to protect

Scott Kelley was a postal inspector whose job was to protect elderly people from scams by intercepting cash they sent to scammers. He spent his days protecting elderly Americans from Jamaican lottery scams but at night he was opening their intercepted packages and pocketing the cash himself.

He led the Boston postal service's Mail Fraud Unit for seven years, now faces 45 federal charges for allegedly stealing more than $330,000 from the very victims he swore to protect.

The money he stole paid for a new pool patio with granite countertops, Caribbean cruise bar tabs, and $15,400 in escort services he arranged during work hours using a burner phone.

The Fox Guarding The Hen House

Kelley's job gave him access to packages containing cash from scam victims. As the team leader of the Mail Fraud Unit from 2015 to 2022, he oversaw investigations into lottery scams that targeted seniors with false promises of sweepstakes winnings.

The Postal Inspection Service ran a program called JOLT (Jamaican Operations Linked to Telemarketing) specifically designed to intercept packages from victims who had been tricked into mailing "fees" or "taxes" to claim nonexistent prizes. Postal inspectors could intercept suspicious packages, but strict rules required them to get the sender's permission before opening them or return the packages unopened.

When packages contained cash, inspectors had to count it with a witness present and convert it to an official check for the victim. Instead, prosecutors say Kelley used deceptive emails to have nearly 1,950 packages routed directly to him between January 2019 and August 2023.

“It’s Your Fault You Mailed Cash”

Investigators identified seven victims in court documents whose packages Kelley allegedly intercepted and emptied. Their average age was 75, with the oldest being 82 years old.

These victims had mailed between $1,400 and $19,100 each, believing they were paying fees to collect lottery winnings. None ever recovered their packages or their money.

One victim met with Kelley in person after their package disappeared. According to prosecutors, Kelley told the victim he didn't know what happened to their package and said "their loss was their own fault because they had mailed cash."

He Used The Funds For Extravagant Purchases

The stolen cash funded what prosecutors describe as extensive home renovations and personal extravagence. He spent $20,500 installing a patio around his pool, $2,800 on a granite countertop for his outdoor bar, and $4,888 on pool and bar lighting.

He paid $4,300 in bar tabs and expenses during three Caribbean cruises. Two escorts received $15,400 for services during meetings that took place on workdays, according to text messages from a burner phone.

To hide the theft, Kelley allegedly spread deposits across 60 different dates using four bank accounts at two banks. He used almost $160,000 of the stolen cash to buy postal money orders, listing relatives as purchasers on more than 20 of them to hide that he was both buyer and recipient.

He Tried To Blame Other Postal Inspectors

His shady activity went beyond just mail theft. Prosecutors say he used another employee's keypad code to enter an evidence vault at the Postal Inspection Service headquarters.

Once inside, he allegedly used another inspector's key to open an evidence locker and steal $7,000 in cash. He then wrote a memo blaming that inspector, one of his direct reports, for the missing money.

The false accusation triggered an investigation by the USPS Office of Inspector General. When investigators questioned Kelley about the stolen cash, prosecutors say he lied and continued to blame his subordinate.

He Faces Serious Jail Time

Kelley was indicted on five counts of wire fraud, five counts of mail fraud, five counts of mail theft by a postal officer, one count of theft of government money, 23 counts of money laundering, one count of structuring to evade reporting requirements, and five counts of filing false tax returns.