One Macy’s Employee Made Accounting Errors Worth at Least $132 Million, and It’s Affecting the Company in a Major Way

For the past three years, one Macy’s employee hid over $100 million in delivery expenses from the company.

Macy’s was supposed to release its third-quarter earnings on Tuesday but stated in a press release on Monday that it has decided to delay the release and its accompanying conference call to December 11 to wrap up an independent investigation into the issue.

In a statement, Macy’s said that the employee handled small package delivery expense accounting and “intentionally” made inaccurate accounting entries for delivery expenses stretching from the fourth quarter of 2021 to November 2, 2024. The errors amounted to $132 million to $154 million while overall delivery expenses were about $4.36 billion.

“At Macy’s, Inc., we promote a culture of ethical conduct,” said Tony Spring, chairman and CEO. “While we work diligently to complete the investigation as soon as practicable and ensure this matter is handled appropriately, our colleagues across the company are focused on serving our customers and executing our strategy for a successful holiday season.”

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It’s unclear at this time what the employee’s motivations were for these errors, but Macy’s stated that the person’s actions

did not affect payments to vendors and involved no other staff members. The employee is no longer at the company, and Macy’s did not disclose when they left the position.

Macy’s store in Manhattan. Photo by Beata Zawrzel/NurPhoto via Getty Images

Macy’s stated that it found out about the errors while preparing its financial statement for the quarter ending November 2. It uncovered who the employee was through an independent investigation and forensic analysis.

However, Macy’s did report preliminary financial results for the third quarter of 2024 on Monday. The company as a whole, including Bloomingdale’s and Bluemercury, saw net sales decline 2.4% to about $4.7 billion when compared to the third quarter of 2023.

Bloomingdale’s and Bluemercury individually saw sales rise 1.4% and 3.2%, respectively, while Macy’s faced sales that declined 3.1% compared to the same period last year.

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