

Cremated Remains



AUDIT REPORT

Report Number 23-018-R23 | July 5, 2023



Table of Contents

Cover

Highlights	1
Background	1
What We Did	1
What We Found	1
Recommendations	1

Transmittal Letter	2
---------------------------------	---

Results	3
----------------------	---

Introduction/Objective.....	3
Background	3
Acceptance	3
Handling.....	5
Delivery	5
Findings Summary	6
Finding #1: Noncompliance with Cremated Remains Acceptance Procedures	6
Generating Cremated Remains Mailing Label.....	6
Cremated Remains Mailing Label Placement.....	6
Orange Label 139 Placement	7
Recommendation #1	7
Finding #2: Opportunities Exist to Improve Cremated Remains Acceptance Procedures	7
Recommendation #2.....	7
Recommendation #3.....	8
Finding #3: Cremated Remains Not Monitored in Postal Facilities	8
Recommendation #4.....	8

Finding #4: Opportunities Exist to Enhance Cremated Remains Packaging Requirements	8
--	---

Recommendation #5.....	9
Recommendation #6.....	9
Best Practices.....	9

Management’s Comments	9
Evaluation of Management’s Comments....	10

Appendices	12
-------------------------	----

Appendix A: Additional Information.....	13
Scope and Methodology	13
Prior Audit Coverage	13
Appendix B: Management’s Comments	14

Contact Information	19
----------------------------------	----



Highlights

Background

The U.S. Postal Service is the only courier that ships cremated remains. Maintaining proper handling of cremated remains as a service is vital to the Postal Service's customer satisfaction and brand image. The Postal Service requires cremated remains be shipped using Priority Mail Express service and has procedures in place to require these packages be timely processed and properly handled from end-to-end in the Postal Service network. However, the Postal Service still experiences issues, resulting in undeliverable and/or unidentifiable Cremated Remains packages.

What We Did

This report responds to a congressional inquiry. Our objective was to assess the effectiveness of procedures for the acceptance, handling, and delivery of Cremated Remains. We interviewed Postal Service Headquarters officials, local management and employees, a third-party company, and outside stakeholders. We conducted site observations at four mail processing facilities and 16 delivery units.

What We Found

The Postal Service was not always in compliance with Cremated Remains acceptance procedures. Specifically, Cremated Remains packages were not always properly labeled. Additionally, the Postal Service has an opportunity to improve Cremated Remains acceptance procedures and did not always follow the procedures for monitoring Cremated Remains packages in the Postal Service network. Further, the Postal Service has an opportunity to help reduce potential missing and/or damaged Cremated Remains packages by enhancing packaging requirements. Lastly, we identified best practices for improving processing and handling of Cremated Remains packages.

Recommendations

We recommended management develop and implement a process for reoccurring communication of Cremated Remains acceptance procedures to retail clerks nationwide; develop and implement guidance requiring retail clerks to verify cremated remains are prepared and packaged in accordance with policy; update Cremated Remains acceptance procedures requiring retail clerks to place Cremated Remains packages in individual Priority Mail Express sacks at acceptance; reiterate the procedures for monitoring Cremated Remains and develop a process for validating review of the Informed Visibility report daily for delayed Cremated Remains packages; evaluate the feasibility of requiring customers to use the Cremated Remains kit boxes when shipping cremated remains and revise policy as appropriate; and develop a plan to ensure these kit boxes are readily available to customers.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

July 5, 2023

MEMORANDUM FOR: ELVIN MERCADO
VICE PRESIDENT, RETAIL & POST OFFICE OPERATIONS

MICHAEL L. BARBER
VICE PRESIDENT, PROCESSING & MAINTENANCE OPERATIONS

ROBERT H. RAINES
VICE PRESIDENT, BUSINESS SOLUTIONS

A handwritten signature in cursive script that reads "Mary K. Lloyd".

FROM: Mary K. Lloyd
Deputy Assistant Inspector General
for Mission Operations

SUBJECT: Audit Report – Cremated Remains (Report Number 23-018-R23)

This report presents the results of our audit to assess the effectiveness of Postal Service procedures for acceptance, handling and delivery of cremated remains.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Amy Jones, Director Delivery, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Introduction/Objective

This report responds to a congressional inquiry from United States Senator Mike Braun (R-Indiana) to review Cremated Remains (Project Number 23-018). Our objective was to assess the effectiveness of U.S. Postal Service procedures for acceptance, handling, and delivery of cremated remains. See [Appendix A](#) for additional information about this audit.

Background

The Postal Service is entrusted to handle the cremated remains of a loved one, so the remains arrive safely to their final resting place. Maintaining proper handling of cremated remains is vital to ensuring a positive customer experience and protecting the Postal Service brand. The Postal Service is the only courier that ships the cremated remains of loved ones and pets.¹

The need for this service grew between October 1, 2020, and September 31, 2022, Cremated Remains shipments increased from 147,283 pieces to 165,838 pieces from fiscal year (FY) 2021 to 2022. This increase can be attributed to the COVID-19 pandemic, when face-to-face contact was limited, and in-person funeral services had size restrictions. Additionally, there was an increase in services offered by third-party companies to turn remains of loved ones or pets into articles requiring shipment such as jewelry or works of art.

When shipping cremated remains internationally,² customers must use Priority Mail Express International. Domestic shipments of cremated remains must be sent using Priority Mail Express.³ For purposes of our review, we limited our scope to cremated remains shipped domestically.

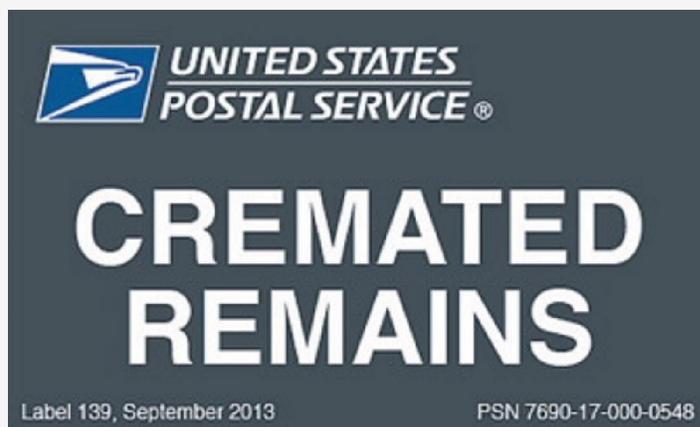
The Postal Service has procedures in place to ensure Cremated Remains packages are timely processed and properly handled from end-to-end in the Postal Service network to prevent damage, delay, or loss. The following is a detailed breakdown of those procedures specific to the acceptance, handling, and delivery of these packages.

“The Postal Service is entrusted to handle the Cremated Remains of a loved one, so the remains arrive safely to their final resting place.”

Acceptance

The Postal Service provides customers with instructions for preparing packages containing cremated remains.⁴ Customers can use packaging of their choice, but it must be strong and durable enough to withstand shipping. Specifically, the instructions state the cremated remains be placed in a secure, sift-proof inner container⁵ and recommends the sift-proof container be sealed in a plastic bag. The Postal Service also recommends customers attach a label to the inner container including the complete return and delivery address and content information in case there is a problem with the outer container's integrity. To identify the package as Cremated Remains, the Postal Service introduced the gray Label 139, *Cremated Remains* (see Figure 1) in September 2013.

Figure 1. Previous Label 139



Source: *Retail and Delivery Service Talk*, August 29, 2019.

1 Other couriers can legally ship Cremated Remains; however, they choose not to because Cremated Remains are considered hazardous material and they do not want to assume liability.
2 *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) section 113.2, dated September 12, 2022.
3 An expedited service for shipping any mailable matter, subject to certain standards such as size and weight limits and certain hazardous materials restrictions, with a money-back guarantee for next-day or second-day delivery in most cases.
4 *How to Package and Ship Cremated Remains*, Publication 139, dated September 2019.
5 A sift-proof container prevents loose powder from leaking out.

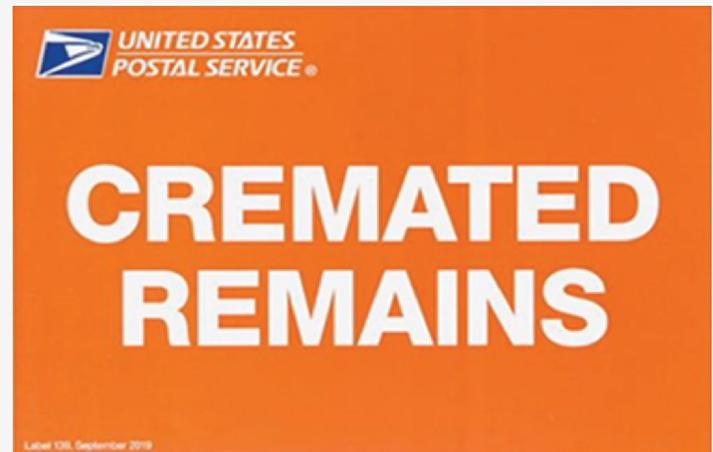
In September 2019, the Postal Service introduced a Priority Mail Express Cremated Remains box (see Figure 2). The box was designed to be sturdier than typical packing supplies and includes vibrant orange “Cremated Remains” markings to increase the visibility and importance of the packages. The new boxes are included in free kits⁶ available on the online Postal Store at USPS.com. Additionally, Label 139, Cremated Remains, was updated in 2019 to increase the size to 4”x6” and the color to vibrant orange (see Figure 3). Customers are required to use either orange Label 139, or the Priority Mail Express Cremated Remains Box with orange Label 139 preprinted on all sides. The updated orange Label 139 is available online via the Postal Store and at retail counters for customers who choose not to use the new Priority Mail Express Cremated Remains box.

Figure 2: Priority Mail Express Cremated Remains Box



Source: Publication 139, *How to Package and Ship Cremated Remains*.

Figure 3: New Orange Label 139, Cremated Remains



Source: Publication 139, *How to Package and Ship Cremated Remains*.

In March 2021, the Postal Service updated the retail point of sale system workflow⁷ for accepting Cremated Remains packages at the Post Office retail counter from a customer. This update allows the retail clerk⁸ to expedite the transaction time for customers shipping cremated remains and enhances the identification of the package throughout the Postal Service network. Once the Cremated Remains symbol is selected in the Postal Service’s retail system, the retail clerk enters the sender and recipient names and addresses. Additionally, the retail clerk can offer the customer extra services⁹ such as a return receipt, additional insurance, or various signature options at the delivery point to ensure the remains of their loved ones are safely delivered.

After all required information has been entered into the retail system, the retail clerk generates a 4”x6” Priority Mail Express Cremated Remains mailing label¹⁰ (see Figure 4) and affixes it to the package over any existing labels to ensure only one barcode is visible. Lastly, the retail clerk stages the Cremated Remains package for dispatch to the designated mail processing facility.

6 There are two kits. Kit 1 includes the Priority Mail Express Cremated Remains Box and a roll of reinforced Priority Mail Express tape. Kit 2 includes the Priority Mail Express Cremated Remains Box, bubble cushioning, a self-sealing plastic bag, reinforced Priority Mail Express tape, and a copy of Publication 139, *How to Package and Ship Cremated Remains*.
7 Retail Standard Operating Procedure *Changes to Cremated Remains Retail Systems Software Workflow*, dated March 10, 2021.
8 An employee who serves the public at a postal retail location also known as Sales and Service Associate.
9 Extra Services are enhancements that provide greater security and accountability for mail, convenience for the sender, and special handling options. Fees for extra services are in addition to postage.
10 Hereinafter referred to as Cremated Remains mailing label.

Figure 4. Cremated Remains Mailing Label



Source: Retail Standard Operating Procedures – Changes to Retail Systems Workflow

Handling

In August 2019 and November 2021, the Postal Service issued orders¹¹ to require the timely processing and proper handling of Cremated Remains packages. According to the orders, once a Cremated Remains package is received at a mail processing facility, it is required to be manually scanned and weighed. Cremated Remains packages to be transported by ground transportation are manually staged for dispatch. Cremated Remains packages to be transported by air transportation are manually

placed in an individual Priority Mail Express sack,¹² to ensure separation and a Dispatch and Routing label,¹³ is affixed for identification and staging for proper routing.

Additionally, the orders instruct facility management to review the Priority Mail Express Detailed Report¹⁴ daily for Cremated Remains packages. In the event of a reported delayed, damaged, or missing Cremated Remains package, if the last scan location of the Cremated Remains package is within their facility, a thorough search should be immediately initiated to identify the current disposition and ensure proper handling. Further, the orders include procedures for an escalation process if an empty box is located with markings identifying missing contents as “Cremated Remains” or Cremated Remains are located without packaging.

Customers have visibility of Cremated Remains packages as they process through the Postal Service network. When a Cremated Remains package is delayed, damaged, or missing, the customer can initiate a service request via the Customer Care Center. From October 1, 2019, to September 31, 2022, there were a total of 2,181 service requests related to Cremated Remains packages.

Delivery

There are no procedures specific to the delivery of Cremated Remains packages. Cremated Remains packages and Priority Mail Express follow the same delivery requirements. Specifically, Priority Express Mail is an accountable item, and carriers¹⁵ are required to sign Postal Service (PS) Form 3867, *Accountable Mail Matter Received for Delivery* to assume responsibility of the package. When required, carriers must follow any special delivery instructions and obtain signatures. When a signature is not required¹⁶, the carrier may leave the package in a secure location at the final destination. If delivery is not feasible, Postal Service policy requires carriers to complete PS Form 3849, *We ReDeliver for You!*¹⁷ and leave the form in the customer’s mailbox and bring the package back to the delivery unit to be secured.

If a Cremated Remains package is determined to be undeliverable,¹⁸ it is sent to the Mail Recovery Center

¹¹ Processing Operations Manual Order – 007-19, dated August 16, 2019, and Processing Operations Manual Order – 008-21, dated November 30, 2021.

¹² The only exception would be if the parcel is either too large or heavy for a sack.

¹³ Identifies the date, transportation routing, mail class, and weight.

¹⁴ This report tracks Priority Mail Express and Cremated Remains packages by last scan event, area by volume, acceptance and schedule delivery data, summary by location, and detail information.

¹⁵ An employee or contractor who delivers and collects mail on foot or by vehicle.

¹⁶ For Priority Mail Express service, a required signature is an optional additional service.

¹⁷ Redelivery Notice left by carrier for a customer when a mailpiece was attempted but not delivered.

¹⁸ Mailpieces can become undeliverable for various reasons, such as a missing shipping label, damage to the outer packaging, or an invalid address.

(MRC)¹⁹ in Atlanta, GA, for resolution. In instances when the sender or recipient cannot be identified, the Cremated Remains packages are stored at the MRC indefinitely.

Findings Summary

The Postal Service was not always in compliance with Cremated Remains acceptance procedures. Specifically, Cremated Remains packages were not always properly labeled to be visible in the Postal Service network. Additionally, the Postal Service has an opportunity to improve Cremated Remains acceptance procedures. Currently, there is no policy to prepare, package, and segregate Cremated Remains packages for dispatch to the designated mail processing facility. Further, the Postal Service did not always follow the procedures for monitoring Cremated Remains packages in the Postal Service network. Specifically, employees did not adhere to Postal Service policy requiring a daily review of the Priority Mail Express Detailed report to determine if there are delayed Cremated Remains packages reported within their facility. Lastly, the Postal Service has an opportunity to enhance Cremated Remains packaging requirements. Currently, customers are not required to utilize the Postal Service Cremated Remains kit box and the Cremated Remains kit boxes are not readily available to customers at Post Office retail counters.

Finding #1: Noncompliance with Cremated Remains Acceptance Procedures

We found the Postal Service was not always in compliance with its current procedures for the acceptance of Cremated Remains packages as outlined in Retail Standard Operating Procedure, *Changes to Cremated Remains Retail Systems Software Workflow*, effective January 2020.

Specifically, during interviews with retail clerks and while observing their demonstration of the process for accepting a Cremated Remains package from a customer, we identified issues with the acceptance procedures (see Table 1). This occurred due to a lack of awareness of Cremated Remains acceptance procedures.

Generating Cremated Remains Mailing Label

Postal Service policy instructs retail clerks to select the Cremated Remains symbol in the retail system to generate the Cremated Remains mailing label identifying the package as cremated remains. The Cremated Remains mailing label contains a unique Intelligent Mail package barcode²⁰ that enhances Postal Service tracking by creating real-time alerts. This increases the visibility of these shipments as they process through the Postal Service network. When the Cremated Remains mailing label is not generated at acceptance, the Cremated Remains package is accepted and shipped using the regular Priority Mail Express service. This service does not include manual processing, increasing the potential risk of damage to these sentimental shipments.

Cremated Remains Mailing Label Placement

The retail clerk must affix the Cremated Remains mailing label over any existing labels to ensure only one barcode is visible on the Cremated Remains package. When multiple barcodes are visible (see Figure 5) scanning inconsistencies can occur resulting in an inability to track the Cremated Remains packages as they move through the Postal Service network. We found 794 (36 percent) of the 2,181 Cremated Remains service requests²¹ received from October 1, 2019, through September 30, 2022, were related to customers' inability to track their loved ones' cremated remains.

Table 1. Cremated Remains Acceptance Procedures

Acceptance Procedure	Retail Clerks Observed	Retail Clerks Not in Compliance	Percentage Not in Compliance
Selected Cremated Remains symbol at Acceptance to generate mailing label	18	5	28%
Cremated Remains mailing label properly covered all existing visible barcodes	18	9	50%
Orange Label 139 properly affixed on all sides of box	18	5	28%

Source: OIG interviews and observations.

¹⁹ The MRCs mission is to search, recover, forward, or return undeliverable mail.

²⁰ The barcode encodes tracking information that identifies the mailer, type of service, serial number, and the routing code and routing information that contains the delivery point ZIP Code.

²¹ A service request is created when a customer contacts the Postal Service Care Center for delayed, damaged, or missing packages.

Figure 5: Cremated Remains Packages with Multiple Barcodes



Source: OIG photos taken at Tampa, FL Processing and Distribution Center (P&DC) on February 2, 2023, and Seattle, WA P&DC on March 29, 2023.

Orange Label 139 Placement

Further, Postal Service policy requires the retail clerk to affix orange Label 139 to all sides of the Cremated Remains package. During our site observations, we observed instances of orange Label 139 not affixed to all sides of the Cremated Remains packages (see Figure 6), reducing the visibility of these packages as they moved through the Postal Service network.

Figure 6. Orange Label 139 Not Affixed on All Sides



Source: OIG photo taken at Tampa, FL P&DC on February 2, 2023.

Customers place trust in the Postal Service when shipping the remains of their loved ones. Retail clerks not always complying with the Cremated Remains acceptance procedures puts the Postal Service at risk of losing customer trust, causing poor customer satisfaction and unsatisfactory impact to brand image.

Recommendation #1

We recommend the **Vice President Retail and Post Office Operations**, develop and implement a process for reoccurring communication of Cremated Remains acceptance procedures to retail clerks nationwide.

Finding #2: Opportunities Exist to Improve Cremated Remains Acceptance Procedures

We found the retail system used by the Postal Service for accepting Cremated Remains packages does not prompt retail clerks to verify the customer prepared and packaged cremated remains in accordance with Publication 139, *How to Package and Ship Cremated Remains*, dated September 2019. Additionally, there is no established Postal Service policy that requires the retail clerks to segregate Cremated Remains packages from other Priority Mail Express packages when staging for dispatch to the mail processing facility.

When Cremated Remains packages are not prepared and packaged properly or segregated from other Priority Mail Express packages, there is an increased potential risk of damage. Additionally, when damage does occur to the Cremated Remains package, the Postal Service's ability to contain the contents and/or identify the sender or recipient is limited. Improving procedures for acceptance could reduce the number of damaged, delayed and/or missing Cremated Remains packages. We found as of February 27, 2023, the MRC had 452 undeliverable and/or unidentifiable Cremated Remains packages, with the oldest dated February 24, 2015. The MRC continues to work to find a resolution for delivering these undeliverable and/or damaged Cremated Remains packages.

Recommendation #2

We recommend the **Vice President Retail and Post Office Operations**, develop and implement guidance requiring retail clerks to verify cremated remains are prepared and packaged in accordance with Postal Service policy.

Recommendation #3

We recommend the **Vice President Retail and Post Office Operations**, update the Cremated Remains acceptance procedures requiring retail clerks to place Cremated Remains packages in individual Priority Mail Express sacks at acceptance.

Finding #3: Cremated Remains Not Monitored in Postal Facilities

We found In-Plant personnel did not follow procedures for monitoring Cremated Remains packages through the Postal Service network. Specifically, personnel did not adhere to Postal Service policy²² requiring a daily review of the Priority Mail Express Detailed report for delayed Cremated Remains.²³ This report provides information for personnel to determine if there are delayed Cremated Remains packages reported within their facility. The guidance instructs them to conduct an immediate and thorough search to locate the reported Cremated Remains packages. During our site observations, employees stated they only review the report and conduct a search of the facility when they receive an alert of a delayed Cremated Remains package. They explained this occurs because other priorities take precedence over reviewing the report daily.

When the daily report is not reviewed, employees are unable to proactively identify the current disposition of a delayed Cremated Remains package to ensure proper handling. Employees waiting for an alert not only negatively impact the customer experience and the Postal Service's brand image, but also may contribute to a monetary impact. From October 1, 2020, through September 30, 2022, the Postal Service reported 45,765 (14.6 percent) delayed Cremated Remains packages, averaging 1.4 days late.

Recommendation #4

We recommend the **Vice President Processing and Distribution**, reiterate the procedures for monitoring Cremated Remains and develop a process for validating that In-Plant personnel review the Informed Visibility report daily for delayed Cremated Remains packages in accordance with policy.

Finding #4: Opportunities Exist to Enhance Cremated Remains Packaging Requirements

We found the Postal Service has an opportunity to reduce potential lost and/or damaged Cremated Remains packages by enhancing packaging requirements. Postal Service instruction²⁴ states customers may utilize a Postal Service produced Cremated Remains kit box, which was produced and tested to withstand processing and handling and increase visibility as the Cremated Remains packages move through the Postal Service network. Alternately, they may use customer-supplied packaging. The instruction explains that if customers elect to not use a Cremated Remains kit box, the packaging they elect to use must be strong and durable enough to withstand handling. According to a Postal Service official, the majority of Cremated Remains packages that become damaged or missing during processing is the result of customer-supplied packaging not meeting the packaging recommendations.

“When Cremated Remains kit boxes are not readily available and take an extended period to reach customers after they place an order, customers are more likely to use their own packaging supplies.”

The Cremated Remains kit boxes are available for order, free of charge, to customers through the Postal Service's website but are not made available to customers at Post Office retail counters. Additionally, we found it took an average of three weeks²⁵ for a customer to receive a Cremated Remains kit box after placing their order online, and of those ordered, only 95 percent were scanned as delivered. When Cremated Remains kit boxes are not readily available and take an extended period to reach customers after they place an order, customers are more likely to use their own packaging supplies. This results in cremated remains not being packaged properly for processing or handling and a greater potential risk

22 Processing Operations Manual Order – 008-21, dated November 30, 2021.

23 Priority Mail Express Tracking – Priority Mail Express Details Report, Cremated Remains filter.

24 Publication 139, *How to Package and Ship Cremated Remains*, dated September 2019.

25 Our review period was October 1, 2019, through September 30, 2022.

of loss or damage to these sentimental shipments of loved ones' or pets' cremated remains.

Recommendation #5

We recommend the **Vice President Business Solutions**, evaluate the feasibility of requiring customers to use the Cremated Remains kit boxes when shipping cremated remains and revise policy as appropriate.

Recommendation #6

We recommend the **Vice President Business Solutions**, develop a plan to ensure Cremated Remains kit boxes are readily available to customers.

Best Practices

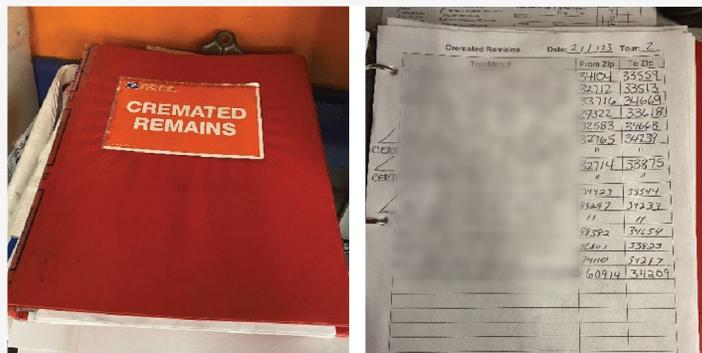
Postal Service management enacted facility-specific best practices designed to improve processing and handling of Cremated Remains packages. During our observations, we identified several best practices employed by the Postal Service, including:

- Safeguarding the Integrity of Cremated Remains Packages – at the Tampa, FL P&DC, Postal Service management implemented a process to decrease the risk of damage to Cremated Remains packages. When Cremated Remains packages are received, the employees explained they place them in a plastic flat tub,²⁶ and then place the tub in a separate Priority Mail Express sack. This practice helps safeguard the integrity of the Cremated Remains packages and minimizes damage during further processing and handling for packages to be transported via air transportation.
- Tracking Cremated Remains Packages – at the Tampa, FL and Philadelphia, PA P&DCs, Postal Service management implemented a process to aid in tracking Cremated Remains packages that entered their facilities (see Figure 7). Specifically, Management required employees to maintain a manual logbook of tracking information for Cremated Remains packages, including the barcode from the Cremated Remains mailing label and the Priority Mail Express barcode, when available. In addition, the Philadelphia P&DC employees record the corresponding Distribution and Routing tag number affixed to the Priority Mail Express sack. Maintaining this information in a logbook assists management when an alert is received to locate

a delayed and/or missing Cremated Remains package.

Ensuring that these best practices are implemented nationwide, if applicable, has the potential of reducing the number of damaged Cremated Remains packages and increasing the ability in locating missing and/or delayed Cremated Remains packages in the Postal Service network.

Figures 7: Cremated Remains Packages Manual Logbook



Source: OIG photos taken at the Tampa, FL P&DC on February 1, 2023.

Management's Comments

Management agreed with recommendations 1, 2, and 6, partially agreed with findings 2 and 4, and disagreed with findings 1 and 3 and recommendations 3, 4 and 5. See [Appendix B](#) for management's comments in their entirety.

Regarding the findings, management stated while the OIG acknowledged they had not actually observed any retail employees accepting cremated remains, Table 1 content/headers still alludes that they had. Management requested Table 1 be removed as it incorrectly identified results as observations, rather than interviews. In addition, management stated the small sampling of 18 employees did not statistically represent the population of retail employees from 30,217 retail facilities. Management also noted there was no specific evidence provided in the OIG audit to support an increased risk of damage to Cremated Remains when they are not segregated from other Priority Mail Express packages, when properly packaged and therefore, requested removal of this statement. Management also stated they have utilized monitoring systems, as noted in the report, and will be investigating a more effective process for monitoring delayed Cremated Remains. Lastly,

26 A four-sided tray used in both mechanized and nonmechanized facilities for flat-size mail that may be secured on top with a separate lid and strapping.

management stated the OIG audit states customers are more likely to use their own packaging due to not being available in retail, which results in improper packing and a greater risk of loss or damage. Management requests removal of both comments, as no evidence was provided to support this finding in the audit or during the exit conference.

Regarding recommendation 1, management stated it would provide a plan for reoccurring communications to retail clerks on the proper packaging and shipping of cremated remains. The target implementation date is September 30, 2023.

Regarding recommendation 2, management stated they will provide guidance that will remind retail clerks to ask customers if they have properly prepared and packaged the cremated remains presented for mailing in accordance with Postal Service policy. The target implementation date is September 30, 2023.

Regarding recommendation 3, management stated the OIG did not provide enough information to substantiate the need for creating a requirement for retail clerks to individually separate Cremated Remains into their own Priority Mail Express sack to reduce the risk of damage. Management commented that requiring Cremated Remains to be separated into individual sacks will result in additional handling and creates the potential for damage and/or delays. Management added that separating remains into individual Priority Mail Express sacks will not increase the ability of the sacks to contain contents if they were not properly prepared by the customer in the first place.

Regarding recommendation 4, management disagreed with reiterating the procedures for monitoring Cremated Remains and developing a process for validating that In-Plant personnel review the Informed Visibility report daily for delayed Cremated Remains packages in accordance with policy. However, management stated that it plans to investigate a more effective process for monitoring delayed Cremated Remains.

Regarding recommendation 5, management stated that the Cremated Remains kits are intended for customer convenience, and that their publications, USPS.com, and the internet provide detailed instructions for packing requirements for shipping cremated remains. Further, management stated that requiring customers to use the Cremated Remains box is impractical and inconvenient for the customer.

Regarding recommendation 6, management stated they will develop a plan to ensure Cremated Remains kit boxes are more readily available to customers. The target implementation date is July 31, 2023.

Evaluation of Management's Comments

The OIG considers management's comments responsive to recommendations 1, 2, and 6 and the corrective actions should resolve the issues identified in the report when implemented. We consider management's comments partially responsive to recommendation 4 and nonresponsive to recommendations 3 and 5.

Regarding management's response to recommendation 3, the report states when damage does occur to the Cremated Remains package, the Postal Service's ability to contain the contents and/or identify the sender or recipient is limited. We understand that requiring Cremated Remains to be separated into individual sacks at acceptance will result in additional handling; however, we disagree with the statement that this creates the potential for damage and/or delays, since the Postal Service already has established similar guidance for plant operations. Specifically, Postal Service policy states when a parcel is received at a plant and is identified as containing cremated remains, that parcel will be placed in an individual Priority Mail Express sack separate from all other parcels and prepared for shipment to the intended destination. We view management's disagreement with recommendation 3 as unresolved and we will work with management through the formal audit resolution process.

Regarding management's response to recommendation 4, we based our recommendation on In-Plant personnel not adhering to Postal Service policy and we believe reiterating the procedures for monitoring Cremated Remains and developing a process to validate compliance will resolve this issue. Although management disagreed with this recommendation, they noted they will investigate a more effective process for monitoring delayed Cremated Remains but did not provide information on the work planned or anticipated completion date for this alternative process. We view management's disagreement with recommendation 4 as unresolved and we will work with management through the formal audit resolution process.

Regarding management's response to recommendation 5, Cremated Remains kits are

intended for customer convenience. As stated in the report, the Postal Service-produced Cremated Remains kit box was tested to withstand processing and handling and increase visibility as the Cremated Remains packages move through the Postal Service network. However, we found the Cremated Remains kit boxes were not readily available at the post offices or sent to customers in a timely manner. Further, we found the retail system used by the Postal Service for accepting Cremated Remains packages does not prompt retail clerks to verify the customer prepared and packaged cremated remains in accordance with policy. Additionally, during site observations, we found Label 139 was not affixed to all sides of the Cremated Remains package. We view management's disagreement with recommendation 5 as unresolved and we will work with management through the formal audit resolution process.

Regarding the findings, we reviewed management comments and appreciate the additional insights around the Postal Service's current policies and procedures for processing and handling cremated remains. However, to ensure the integrity of Cremated Remains are maintained and the risks of mishandling are mitigated, we believe the report's analysis and conclusions, and the evidence provided, fully support our recommendations for additional rigor of the processes.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

Appendices

Appendix A: Additional Information.....	13
Scope and Methodology	13
Prior Audit Coverage	13
Appendix B: Management's Comments	14



Appendix A: Additional Information

Scope and Methodology

Our objective was to assess the effectiveness of Postal Service procedures for the acceptance, handling, and delivery of Cremated Remains. Cremated Remains can be sent internationally or domestically. For purposes of our review, we limited our scope to Cremated Remains being sent domestically. Additionally, due to the limited volume of Cremated Remains packages in the Postal Service network, we were unable to review the processing and handling of Cremated Remains packages from acceptance to delivery at the addressee.

To accomplish our objective, we:

- Reviewed the Postal Service’s retail, delivery, and mail processing operations policies, procedures, and related documents to identify guidance.
- Obtained and analyzed various data elements, including Customer 360 and OIG Hotline complaints, Cremated Remains volume, and Cremated Remains kit orders via USPS.com.
- Obtained and analyzed indemnity claims, and postage refunds payment data related to undelivered or delayed Cremated Remains shipments from October 1, 2020, through September 30, 2022.
- Judgmentally selected one mail processing facility from each Postal Service area with the highest volume of Cremated Remains from October 1, 2020, through September 30, 2022, and judgmentally selected delivery units within proximity of the selected mail processing facility while taking into consideration if the delivery units accepted and/or delivered Cremated Remains.
- Conducted interviews and observed the process of Postal Service employees accepting, processing, and handling Cremated Remains parcels at four mail processing facilities and 16 delivery units from January – March 2023.
- Conducted interviews with management at the visited Postal Service facilities, Postal Service Headquarters, a third-party hub, and outside stakeholders who work in the cremation industry.

We conducted this performance audit from November 2022 through July 2023 in accordance with

generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on June 6, 2023, and included their comments where appropriate.

We assessed the reliability of volume data by performing tests for data completeness, reasonableness, accuracy, and validity. We determined that the data was sufficiently reliable for the purposes of this report.

Prior Audit Coverage

The OIG did not identify any prior audits or reviews within the last five years related to the objective of this audit.

Appendix B: Management's Comments



June 26, 2023

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Cremated Remains (Report Number 23-018-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, Cremated Remains. Postal management has reviewed the findings and recommendations outlined in the Office of Inspector General (OIG) Cremated Remains Report Number 23-018. Although Postal Service management recognizes that opportunities exist in conjunction with the packaging, marking, and handling of cremated remains, it does not concur with some of the assumptions made related to the findings and recommendations offered in the OIG report.

Management disagrees with OIG Finding #1 - Noncompliance with Cremated Remains Acceptance Procedures.

While OIG acknowledged they had not actually observed any retail employees accepting cremated remains, Table 1 content/headers still alludes that they had. Management requests Table 1 be removed as it is incorrectly identifying results as observations, rather than interviews. In addition, the small sampling of 18 employees does not statistically represent the population of current retail employees from 30,217 retail facilities.

Management partially agrees with OIG Finding #2 - Opportunities Exist to Improve Cremated Remains Acceptance Procedures.

The OIG states, when cremated remains are not prepared and packaged properly or segregated from other Priority Mail Express packages, there is an increased risk of damage. There was no specific evidence provided in the OIG audit to support an increased risk of damage to cremated remains when they are not segregated from other Priority Mail Express packages, when properly packaged. Management requests removal of this portion of the statement.

Management disagrees with Finding #3 - Cremated Remains Not Monitored in Postal Facilities.

Management has utilized monitoring systems, as specifically stated in the OIG cremated remains audit. Postal management will be investigating a more effective process for monitoring delayed cremated remains.

Management partially agrees with Finding #4 – Opportunities Exist to Enhance Cremated Remains Packaging Requirements.

The OIG audit states customers are more likely to use their own packaging due to not being available in retail. Additionally, the OIG audit states, customer's using their own packaging results in improper packing, and a greater risk of loss or damage. Management requests removal of both comments, as no evidence was provided to support this finding in the audit or during the exit conference.

Following are our comments on each of the six (6) recommendations.

Recommendation [1]:

We recommend the Vice President Retail and Post Office Operations, develop, and implement a process for reoccurring communication of Cremated Remains acceptance procedures to retail clerks nationwide.

Management Response/Action Plan:

Management agrees with this recommendation.

Management will provide a plan for reoccurring communications to retail clerks on the proper packaging/shipping of cremated remains.

Target Implementation Date: 09/30/2023

Responsible Official:

Manager, Retail and Post Office Operations Policy and Practices

Recommendation [2]:

We recommend the Vice President Retail and Post Office Operations, develop, and implement guidance requiring retail clerks to verify Cremated Remains are prepared and packaged in accordance with Postal Service policy.

Management Response/Action Plan:

Management agrees with this recommendation.

Management will provide guidance that will remind retail clerks to ask customers if they have properly prepared and packaged the cremated remains presented for mailing in accordance with Postal Service policy.

Customers must adhere to the packaging and shipping requirements and use the USPS-produced labels provided by the Post Office and properly mark boxes for cremated remains as well as other items shipped via Priority Mail and Priority Mail Express.

Target Implementation Date: 09/30/2023

Responsible Official:

Manager, Retail and Post Office Operations Policy and Practices

Manager, Retail Strategy and Optimization

Recommendation [3]:

We recommend the Vice President Retail and Post Office Operations, update the cremated remains acceptance procedures requiring retail clerks to place Cremated Remains packages in individual Priority Mail Express sacks at acceptance.

Management Response/Action Plan:

Management disagrees with this recommendation.

The OIG did not provide enough information to substantiate the need for creating a requirement for retail clerks to individually separate cremated remains into their own Priority Mail Express sack to reduce the risk of damage. In fact, requiring cremated remains to be separated into individual sacks will result in additional handling and creates the potential for damage and/or delays. Finally, separating remains into individual Priority Mail Express sacks will not increase the ability of the sacks to contain contents if they were not properly prepared by the customer in the first place.

PME sacks are not meant to be substitutes for the proper packaging of cremated remains by customers.

Target Implementation Date: N/A

Recommendation [4]:

We recommend the Vice President Processing and Distribution, reiterate the procedures for monitoring Cremated Remains and develop a process for validating that In-Plant personnel review the Informed Visibility report daily for delayed Cremated Remains packages in accordance with policy.

Management Response/Action Plan:

Management disagrees with this recommendation.

USPS will investigate a more effective process for monitoring delayed cremated remains.

Target Implementation Date: N/A

Recommendation [5]:

We recommend the Vice President Business Solutions, evaluate the feasibility of requiring customers to use the Cremated Remains kit boxes when shipping Cremated Remains and revise policy as appropriate.

Management Response/Action Plan:

Management disagrees with this recommendation.

Cremated remains kits are intended for customer convenience. Currently, Publication 52, Hazardous, Restricted, and Perishable Mail; Publication 139, How to Package and Ship Cremated Remains; USPS.com; and the internet provide detailed instructions for packing requirements for shipping cremated remains.

Customers must adhere to the packing and shipping requirements and use the USPS-produced labels provided by the Post Office and properly mark boxes for cremated remains as well as other items shipped using Priority Mail and Priority Mail Express. Requiring customers to use the Cremated Remains box is impractical and inconvenient for the customer.

Target Implementation Date: N/A

Recommendation [6]:

We recommend the Vice President Business Solutions, develop a plan to ensure Cremated Remains kit boxes are readily available to customers.

Management Response/Action Plan:

Management agrees with this recommendation.

Management will develop a plan to ensure cremated remains kit boxes are more readily available to customers.

Target Implementation Date: 07/31/2023

Responsible Official:

Vice President Business Solutions

 E-SIGNED by Elvin Mercado
on 2023-06-26 09:29:25 CDT

Elvin Mercado
Vice President, Retail and Post Office Operations

 E-SIGNED by Michael.L Barber
on 2023-06-26 09:48:31 CDT

Michael L. Barber
Vice President, Processing and Maintenance Operations

 E-SIGNED by Robert.H Raines
on 2023-06-26 09:56:39 CDT

Robert H. Raines
Vice President, Business Solutions

- 5 -

cc: Corporate Audit and Response Management

OFFICE OF
INSPECTOR
GENERAL

UNITED STATES



Contact us via our [Hotline](#) and [FOIA](#) forms. Follow us on social networks. Stay informed.

1735 North Lynn Street, Arlington, VA 22209-2020
(703) 248-2100

For media inquiries, please email press@uspsig.gov or call (703) 248-2100