

GAO

Report to Congressional  
Subcommittees

---

October 2007

# U.S. POSTAL SERVICE

## Agencies Distribute Fund-raising Stamp Proceeds and Improve Reporting



GAO  
Accountability · Integrity · Reliability

# Highlights

Highlights of [GAO-08-45](#), a report to congressional subcommittees

## Why GAO Did This Study

As required by Congress, the U.S. Postal Service (Service) has issued three fundraising stamps—also called semipostals—which are sold at a higher price than First-Class stamps, with the difference distributed to designated federal agencies for specific causes. The proceeds from the three stamps are to fund breast cancer research, assistance to families of emergency relief personnel killed or permanently disabled in the terrorist attacks of September 11, and services to children exposed to domestic violence. Of the three stamps, the Breast Cancer Research stamp is the only semipostal currently being sold.

GAO has issued three prior reports on semipostals. To provide Congress updated information, GAO examined (1) the amount of money that has been raised through the sale of semipostals, and (2) how the designated federal agencies have used the proceeds and reported the results.

## What GAO Recommends

GAO is reaffirming one of its prior recommendations that HHS annually report to Congress on the NIH's use of Breast Cancer Research stamp proceeds. The Service, ACF, DOD, NIH and FEMA did not provide overall comments but they did provide technical comments, which were incorporated as appropriate.

To view the full product, including the scope and methodology, click on [GAO-08-45](#). For more information, contact Katherine A. Siggerud at (202) 512-2834 or [siggerudk@gao.gov](mailto:siggerudk@gao.gov).

## U.S. POSTAL SERVICE

### Agencies Distribute Fund-raising Stamp Proceeds and Improve Reporting

## What GAO Found

As of June 2007, more than \$68 million has been raised through semipostal sales. Of the three semipostals, the Breast Cancer Research stamp had proceeds totaling approximately \$54.6 million, the Heroes of 2001 stamp had proceeds totaling about \$10.6 million, and the Stop Family Violence stamp had proceeds totaling about \$3.2 million. The authorized sale period for each semipostal affected the funds raised. In discussions with relevant agencies, advocacy groups and fund-raising organizations, several factors were identified that affected semipostal sales. These factors include public awareness about the charitable cause that a stamp represents, the stamp's design, and confusion about how the proceeds will be used.

All four of the designated federal agencies have distributed proceeds from their respective semipostals. The Department of Defense (DOD) and NIH continue to award grants and fund programs for research with proceeds from the Breast Cancer Research stamp, and have added new programs to distribute the proceeds. The Administration for Children (ACF) within HHS used the proceeds from the Stop Family Violence stamp to award nine grants to programs that support children who have been exposed to domestic violence. Also, the Federal Emergency Management Administration (FEMA) recently distributed the last of the proceeds from the Heroes of 2001 stamp to the families of emergency relief personnel who were either killed or permanently disabled while serving in the line of duty in connection with the terrorist attacks of September 11, 2001. In September 2005, GAO recommended that the designated federal agencies annually report to Congress on their use of semipostal proceeds. DOD and ACF have submitted reports to Congress, and FEMA plans to report in the near future. NIH does not plan to prepare a report for Congress, but offers information on NIH's use of Breast Cancer Research stamp proceeds on its public website. However, NIH's website did not provide detailed information on proceeds received, how proceeds were used and related achievements.

#### Fund-raising Stamps: Proceeds Distributed to Designated Agencies



Source: The U.S. Postal Service®.

---

# Contents

---

<b>Letter</b>		<b>1</b>
	Results in Brief	3
	Background	5
	Semipostals Have Collectively Raised Over \$68 Million, but the Breast Cancer Research Semipostal Has Raised the Most	8
	Designated Agencies Have Distributed Semipostal Proceeds, but Only DOD and ACF Have Reported Their Use of the Proceeds to Congress	14
	Agency Comments	26
<b>Appendix I</b>	<b>Scope and Methodology</b>	<b>28</b>
<b>Appendix II</b>	<b>Postal Service Semipostal Costs Recovered</b>	<b>30</b>
<b>Appendix III</b>	<b>NIH Breast Cancer Research Awards Funded with Breast Cancer Research Stamp Proceeds</b>	<b>35</b>
	Insight Awards	35
	Exceptional Opportunities in Breast Cancer Research	38
	TAILORx	39
	NCI Breast Pre-Malignancy Program	40
<b>Appendix IV</b>	<b>DOD Breast Cancer Research Awards Funded with Breast Cancer Research Stamp Proceeds</b>	<b>41</b>
<b>Appendix V</b>	<b>ACF Awards Funded with Stop Family Violence Stamp Proceeds</b>	<b>44</b>
<b>Tables</b>		
	Table 1: Comparison of Historical First-Class Postage Rates with Breast Cancer Research Stamp Postage Rates and Related Differential Revenue Percentages	10

---

Table 2: Comparison of Historical First-Class Postage Rates with Heroes of 2001 Postage Rates and Related Differential Revenue Percentages	11
Table 3: Comparison of Historical First-Class Postage Rates with Stop Family Violence Stamp Postage Rates and Related Differential Revenue Percentages	14
Table 4: NIH and DOD Grants and Awards Funded with Breast Cancer Research Stamp Proceeds	16
Table 5: Select Research Findings from DOD and NIH Grants and Awards Funded with Breast Cancer Research Stamp Proceeds	18
Table 6: ACF Grants Awarded Using Stop Family Violence Stamp Proceeds	20
Table 7: FEMA's Distribution of Heroes of 2001 Stamp Proceeds	21
Table 8: Applicants and Recipients of Heroes of 2001 Stamp Proceeds	23
Table 9: Number of Applicants and Recipients in Each Emergency Relief Category	24
Table 10: Agencies, Advocacy Groups, and Organizations That GAO Consulted for Their Opinions and Experiences with the Semipostals	28
Table 11: Semipostal Costs Incurred and Recovered by the Service, through June 30, 2007	31
Table 12: Breast Cancer Research Stamp Costs Incurred and Recovered by the Service from Inception through June 30, 2007	32
Table 13: Heroes of 2001 Semipostal Costs Incurred and Recovered by the Service from Inception through Final Disbursement on May 2, 2005	33
Table 14: Stop Family Violence Semipostal Costs Incurred and Recovered by the Service from Inception through Final Disbursement on May 1, 2007	34
Table 15: Insight Awards to Stamp Out Breast Cancer Funded with Proceeds from Breast Cancer Research Stamp Sales	35
Table 16: Exceptional Opportunities in Breast Cancer Research Funded with Proceeds from the Breast Cancer Research Stamp	38
Table 17: Breast Pre-Malignancy Awards	40
Table 18: Idea Awards for Breast Cancer Research Funded with Breast Cancer Research Stamp Proceeds	41
Table 19: Synergistic Idea Awards for Breast Cancer Research Funded with Breast Cancer Research Stamp Proceeds	43

---

Table 20: ACF Grants Funded with Stop Family Violence Stamp Proceeds	44
--	----

---

## Figures

Figure 1: Number of Semipostals Sold Quarterly, in Millions, through June 30, 2007	4
--	---

Figure 2: Breast Cancer Research, Heroes of 2001, and Stop Family Violence Stamps	6
---	---

---

## Abbreviations

ACF	Administration for Children and Families
BBB	Better Business Bureau
DOD	Department of Defense
EMS	Emergency Medical Services
FEMA	Federal Emergency Management Agency
FVPSA	Family Violence Prevention and Services Act
HHS	Health and Human Services
NCI	National Cancer Institute
NIH	National Institutes of Health
TAILORx	Trial Assigning Individualized Options for Treatment

This is a work of the U.S. government and is not subject to copyright protection in the United States. It may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



United States Government Accountability Office  
Washington, DC 20548

---

October 30, 2007

The Honorable Thomas R. Carper  
Chairman  
The Honorable Tom Coburn  
Ranking Member  
Subcommittee on Federal Financial Management Government  
Committee on Homeland Security and Governmental Affairs  
United States Senate

The Honorable Danny K. Davis  
Chairman  
The Honorable Kenny Marchant  
Ranking Member  
Subcommittee on Federal Workforce,  
Postal Service, and the District of Columbia  
Committee on Oversight and Government Reform  
House of Representatives

In this country, a woman is reportedly diagnosed with breast cancer every three minutes, and the disease claims another life every 13 minutes. Breast cancer is the most common nonskin cancer and the second leading cause of cancer-related deaths in women. Each year, about \$8.1 billion is spent in the United States to treat this disease. In light of these statistics, finding a cure for breast cancer is vitally important. In fiscal year 2007, federal agencies reportedly spent an estimated \$1.4 billion on breast cancer research.<sup>1</sup> To supplement these federal funds, Congress passed legislation to establish the Breast Cancer Research stamp, called a fund-raising stamp or “semipostal”, to heighten public awareness of the disease and give the public an opportunity to participate directly in raising funds for breast cancer research. A semipostal is a First-Class postage stamp that is sold at a premium over the postage value to provide funding for a designated charitable cause. The semipostal proceeds are transferred from the U.S.

---

<sup>1</sup>The \$1.4 billion comprises funding from the National Institutes of Health (and that agency’s National Cancer Institute) and the Department of Defense for breast cancer research only.

---

Postal Service (Service) to designated federal agencies that administer the funds.<sup>2</sup>

Since 1998, Congress has required the Service to issue the nation's first three fund-raising stamps—the Breast Cancer Research stamp, the Heroes of 2001 stamp, and the Stop Family Violence stamp. First, the Breast Cancer Research stamp, which was issued in 1998, funds breast cancer research at the National Institutes of Health (NIH) and the Department of Defense (DOD). Second, the Heroes of 2001 stamp was issued in 2002 (sold through 2004) to assist the families of emergency relief personnel who were either killed or permanently disabled while serving in the line of duty in connection with the terrorist attacks of September 11, 2001. The Federal Emergency Management Agency (FEMA) administers this program. Third, the Stop Family Violence stamp was issued in 2003 (sold through 2006) to fund domestic violence prevention programs at the Administration for Children and Families (ACF) within the Department of Health and Human Services (HHS).<sup>3</sup>

This report, a follow-up to our September 2005 report on fund-raising stamps, examines (1) the amount of money which has been raised through the sale of the semipostals and (2) how the designated federal agencies have used the proceeds and reported the results.<sup>4</sup>

In conducting this review, we obtained sales and cost data from the Service for each of the three semipostals and gathered additional information from federal officials, fund-raising experts, and advocacy groups about each of the semipostals and the related charitable causes.

---

<sup>2</sup>Prior to transferring the proceeds to agencies, the Service is to deduct its costs attributable to the semipostals that would not normally be incurred for comparable stamps.

<sup>3</sup>The Stamp Out Breast Cancer Act (Pub.L. No. 105-41), August 13, 1997, required that the Service issue a Breast Cancer Research stamp. The 9/11 Heroes Stamp Act of 2001 and the Stamp Out Domestic Violence Act of 2001 mandated that the Service issue semipostals for these causes. Both the Heroes of 2001 and Stop Family Violence stamps were authorized as part of the Treasury and General Government Appropriations Act, 2002 (Pub.L. No. 107-67).

<sup>4</sup>GAO, *U.S. Postal Service: Factors Affecting Fund-Raising Stamp Sales Suggest Lessons Learned*, [GAO-05-953](#) (Washington, D.C.: Sept. 30, 2005). GAO issued reports on the Breast Cancer Research stamp in 2000 and 2003, in response to reporting requirements in Pub. L. No. 105-41 and Pub. L. No. 106-253. GAO, *Breast Cancer Research Stamp: Millions Raised for Research, but Better Cost Recovery Criteria Needed*, [GAO/GGD-00-80](#) (Washington, D.C.: Apr. 28, 2000) and *Breast Cancer Research Stamp: Effective Fund-Raiser, but Better Reporting and Cost-Recovery Criteria Needed*, [GAO-03-1021](#) (Washington, D.C.: Sept. 30, 2003).

---

We interviewed officials from the Service and the designated federal agencies that received semipostal proceeds. In addition, we gathered and examined agency documents related to the semipostal programs. We also interviewed experts from fund-raising organizations, such as the Association of Fundraising Professionals, the American Red Cross, and the Better Business Bureau's (BBB) Wise Giving Alliance, about factors that influence fund-raising efforts for different charitable causes. We consulted key national advocacy groups affiliated with breast cancer, emergency personnel affected by the terrorist attacks of September 11, and domestic violence prevention for their opinions about and experiences with the semipostals. As a part of our review, we assessed the reliability of the data needed for this engagement and determined that the data were sufficiently reliable for our purposes. We conducted our review from June 2007 through September 2007 according to generally accepted government auditing standards. A more detailed discussion of our scope and methodology is included in appendix I. We requested comments on a draft of this report from the Service, ACF, DOD, FEMA, HHS, and NIH.

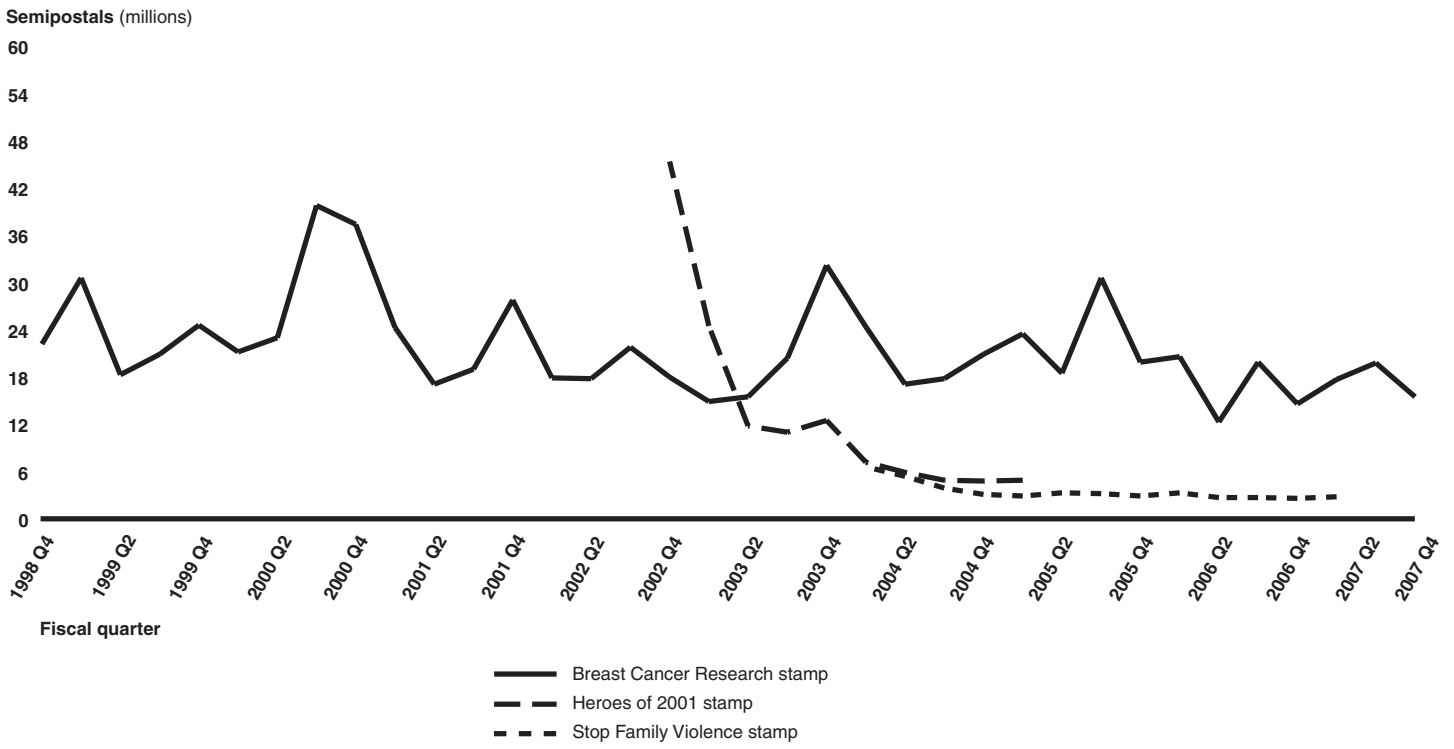
---

## Results in Brief

Semipostals have raised over \$68 million as of June 30, 2007. Individually, the Breast Cancer Research stamp raised approximately \$54.6 million, the Heroes of 2001 stamp about \$10.6 million, and the Stop Family Violence stamp about \$3.2 million. Differences in the amount of funds raised by each semipostal can be attributed, in part, to the varying sales periods for each stamp. For example, the Breast Cancer Research stamp—the only semipostal that is currently on sale—has sold for the past 9 years while the sales period for the Heroes of 2001 and Stop Family Violence stamps has been just over 3 years or less. However, notwithstanding varying lengths in sales periods, the Breast Cancer Research stamp generally outsold the other two semipostals. In addition, the number of semipostals sold has varied equally as much as the amount of funds raised has varied (see fig. 1). Also, based on discussions we had with various agencies and organizations involved, public awareness about the charitable cause the stamp represents, the stamp's design, and confusion about how the proceeds will be used are all factors that affected semipostal sales.



**Figure 1: Number of Semipostals Sold Quarterly, in Millions, through June 30, 2007**



Source: GAO analysis of U.S. Postal Service data.

Note: Q refers to fiscal year quarter. Q1 runs from October through December, Q2 is from January through March, Q3 is from April through June and Q4 is from July through September.

All four of the designated federal agencies have distributed proceeds from their respective semipostals, but only DOD and ACF have reported on the use of the proceeds. Both DOD and NIH continue to award grants for breast cancer research using proceeds from the Breast Cancer Research stamp and have added new programs to distribute the funds. NIH, which had used Breast Cancer Research stamp proceeds to fund the Insight Awards and Exceptional Opportunities programs, now uses the proceeds for the Trial Assigning Individualized Options for Treatment (TAILORx) and the Breast Pre-Malignancy Program. These new programs are more focused on particular areas of research than the previous programs, which covered a broad range of breast cancer research issues. DOD recently started awarding grants under its Synergistic Idea Awards program, in addition to the Idea Awards program, which had been used since 1999 to distribute the stamp's proceeds. The Synergistic Idea Awards program is similar to the Idea Awards program in that it supports innovative breast

---

cancer research but differs in that it requires two independent researchers to work synergistically on a breast cancer research project. ACF awarded nine grants in fiscal year 2005 using proceeds from the Stop Family Violence stamp. These grants were awarded to programs that support children who have been exposed to domestic violence. Finally, FEMA recently distributed the last of the proceeds from the Heroes of 2001 stamp to the families of emergency relief personnel who were either killed or permanently disabled while serving in the line of duty in connection with the terrorist attacks of September 11, 2001. FEMA determined that 1,377 applicants met the program's eligibility requirements and each recipient received an equal portion of the stamp's proceeds. In our 2005 report, we recommended that the designated federal agencies report annually to Congress on their use of semipostal proceeds. Of the four designated agencies, DOD and ACF have reported on their use of semipostal proceeds to Congress. FEMA plans to report in the near future on its use of Heroes of 2001 stamp proceeds. NIH does not plan to prepare a report for Congress but offers information on the use of Breast Cancer Research stamp proceeds on its public website. We found that NIH's website did provide useful overview information about NIH's use of Breast Cancer Research stamp proceeds. However, NIH's website did not provide detailed information on the amount of proceeds received to date, how these proceeds were used and any related accomplishments that were achieved.

While we are not making any new recommendations in this report, we reaffirm our prior recommendation aimed at ensuring greater accountability for the Breast Cancer Research stamp.<sup>5</sup> In our September 2005 report, we recommended that the Secretary of Health and Human Services annually report to the congressional committees with jurisdiction over the Service on the use of Breast Cancer Research stamp proceeds. We provided a draft of this report to the Service and designated agencies for review and comment. The Service, HHS, and designated agencies did not offer overall comments on the draft report. These organizations did provide technical comments, which we incorporated where appropriate.

---

## Background

To date, three stamps have been issued in the nation's semipostal program: the Breast Cancer Research, Heroes of 2001, and Stop Family

---

<sup>5</sup>[GAO-05-953](#).

Violence stamps. Semipostals are stamps sold at a premium above the First-Class postage rate; the net premium amount supports a designated cause. The semipostal proceeds are transferred from the Service to the designated federal agencies. The three semipostals were authorized through separate congressional acts relating to each stamp. The Stamp Out Breast Cancer Act required that the Service issue the Breast Cancer Research stamp. The Heroes of 2001 and Stop Family Violence stamps were mandated by Congress in the 9/11 Heroes Stamp Act of 2001 and the Stamp Out Domestic Violence Act of 2001, respectively.<sup>6</sup> Figure 2 illustrates the three semipostals.

Figure 2: Breast Cancer Research, Heroes of 2001, and Stop Family Violence Stamps



Source: The U.S. Postal Service®.

The sales period for the three semipostals has varied. Initially, the Breast Cancer Research stamp was authorized for 2 years in 1998. Since then, it has been reauthorized four times and there are currently proposals in

<sup>6</sup>Both acts were included as part of the Treasury and General Government Appropriations Act, 2002 (Pub.L. No. 107-67).

---

Congress to further extend the sales period for either two or four additional years beyond the current expiration date of December 31, 2007. The Breast Cancer Research stamp raises money for breast cancer research programs supported by NIH and DOD, with NIH receiving 70 percent of the funds available and DOD receiving the remaining 30 percent. The Heroes of 2001 stamp was offered for sale from June 7, 2002, to December 31, 2004, and funds raised were transferred to FEMA to assist the families of emergency relief personnel who were killed or permanently disabled in the line of duty in connection with the terrorist attacks against the United States on September 11, 2001. The Stop Family Violence stamp was offered for sale from October 8, 2003, to December 31, 2006. Proceeds from the Stop Family Violence stamp were transferred to ACF for domestic violence prevention programs. Between October 8, 2003, and December 31, 2004—a period of just over 1 year—the three semipostals were on sale simultaneously. Currently, however, the Breast Cancer Research stamp is the only semipostal still being sold.

Previously, we reported that the Breast Cancer Research stamp has been an effective fund-raiser and that funds raised through sales of the stamp had contributed to key insights and approaches for the treatment of breast cancer. Most of the key stakeholders we spoke with and, according to a survey we conducted in 2003, members of the public viewed the stamp as an appropriate way to raise funds for a nonpostal purpose. With some concerns, however, about the Service's identification and recovery of costs associated with carrying out the act, we recommended that the Service reexamine and, as necessary, revise its Breast Cancer Research stamp cost recovery regulations. The Service implemented our recommendation by revising its regulations. We also suggested that Congress consider establishing annual reporting requirements for NIH and DOD. In addition, we recommended that the Secretaries of Defense, Homeland Security, and Health and Human Services annually issue reports to the Congressional committees with jurisdiction over the Service and that these reports, among other things, should include information on the amount of funding received from semipostal sales and accounting for how the funds were allocated or otherwise used.

---

## Semipostals Have Collectively Raised Over \$68 Million, but the Breast Cancer Research Semipostal Has Raised the Most

As of June 30, 2007, more than \$68 million has been raised through the sale of semipostals. The amounts raised and the number of stamps sold has varied among the three semipostals. Also, based on our discussions with various agencies, organizations, advocacy groups, and fund-raising experts, we identified a number of factors that affected semipostal sales, including public awareness, stamp design, and confusion about how the proceeds will be used.

---

## Breast Cancer Research Stamp

The Breast Cancer Research stamp has raised about \$54.6 million, which dwarfs the funds raised by the other semipostals. Of the funds raised, the Service transferred a total of \$38.2 million and \$16.4 million to NIH and DOD, respectively, for breast cancer research. Similarly, among the semipostals, the Breast Cancer Research stamp had the highest level of sales with 777.8 million stamps sold as of June 30, 2007. One explanation for the higher Breast Cancer Research stamp sales is the length of time that each stamp was sold. The Breast Cancer Research stamp—the only semipostal still on sale today—has sold for the past 9 years while the Heroes of 2001 and the Stop Family Violence stamps sold for 2.5 and just over 3 years, respectively. Although Breast Cancer Research stamp sales have fluctuated since the semipostal's issuance in 1998, sales have been relatively high over time compared to the other semipostals (see fig. 1). For example, sales of the Breast Cancer Research stamp have averaged nearly 22 million semipostals per quarter since issuance.

Several factors affected Breast Cancer Research stamp sales to date. As we reported in 2005, public awareness about the fund-raising causes represented by the semipostals—or an issue often in the public eye—affected sales levels.<sup>7</sup> For example, an official from Susan G. Komen for the Cure told us that, with one in eight women being affected by breast cancer, the subject is always in the public spotlight. Likewise, an official from the American Cancer Society told us that public awareness of breast cancer, coupled with the outreach efforts of several organizations, such as the Avon Foundation's breast cancer fund-raising events, increased Breast Cancer Research stamp sales.

---

<sup>7</sup>[GAO-05-953](#).

---

Another factor that could affect Breast Cancer Research stamp sales is the stamp's recent price increase. In May 2007, the price of the Breast Cancer Research stamp increased from 45 cents to 55 cents. This marks the first time that this stamp's price has increased by as much as 10 cents (see table 1). The Service's Governors established the new price in January 2007<sup>8</sup>—with knowledge that the Service had proposed an increase of the First-Class postage rate from 39 cents to 42 cents.<sup>9</sup> By law, the Governors are required to set postage rates for the Breast Cancer Research stamp. The price must be an amount evenly divisible by five and at least 15 percent more than the First-Class postage rate. The Service refers to this difference in price as the differential revenue.<sup>10</sup>

The Governors decided on a 10-cent price increase because the differential revenue of 34 percent, according to the Service, was historically in line with past differential revenue amounts. For example, in March 2002, when First-Class postage was 34 cents and the Breast Cancer Research stamp was 45 cents, the differential revenue was 32 percent, and this, according to Service officials, did not negatively impact Breast Cancer Research stamp sales. However, an increase to 50 cents would have yielded a differential revenue of 22 percent—also in line with past amounts (see table 1). In addition, Service officials told us that when the decision was being made as to whether the Breast Cancer Research stamp price should be 50 cents or 55 cents, the Governors agreed with postal management that 55 cents would be more appropriate. The Service believes that an increase to 55 cents would not deter customers who were passionate and supportive of the cause. With the Postal Accountability and Enhancement Act effectively allowing annual postage rate increases not to exceed the annual change in the Consumer Price Index, several years could pass with possible increases in the First-Class postage rate.<sup>11</sup> Under this scenario, setting the Breast Cancer Research stamp price at 55 cents will allow for greater price stability in the event Congress further extends the stamp's sales period beyond 2007.

---

<sup>8</sup>The nine Governors, who are appointed by the President and confirmed by the Senate, are chosen to represent the public interest generally, and shall not be representatives of specific interests using the Postal Service. The Governors plus the Postmaster General and Deputy Postmaster General serve as members of the Board of Governors, which directs the operations of the Service.

<sup>9</sup>The First-Class postage rate was increased to 41 cents, rather than 42 cents, in May 2007.

<sup>10</sup>39 U.S.C. 414.

<sup>11</sup>Pub. L. No. 109-435.

**Table 1: Comparison of Historical First-Class Postage Rates with Breast Cancer Research Stamp Postage Rates and Related Differential Revenue Percentages**

<b>Date</b>	<b>First-Class postage rate</b>	<b>Breast Cancer Research stamp postage rate</b>	<b>Rate difference / differential revenue percentage</b>
As of June 1, 1998	.32	.40	.08/25
January 10, 1999 change in First-Class postage	.33	.40	.07/21
January 7, 2001 change in First-Class postage	.34	.40	.06/18
March 23, 2002 change in BCRS postage	.34	.45	.11/32
June 30, 2002 change in First-Class postage	.37	.45	.08/22
January 8, 2006 change in First-Class postage	.39	.45	.06/15
May 14, 2007 changes in First-Class postage and BCRS postage	.41	.55	.14/34

Source: GAO analysis of U.S. Postal Service data.

With only a few months passing since this increase, we were unable to determine what impact, if any, this increase had on sales. However, fund-raising experts that we spoke with generally agreed that consumers with an affinity—or positive response—toward the Breast Cancer Research stamp would most likely continue to purchase the stamp. For example, breast cancer survivors and consumers with close family members who have battled the disease will probably continue to purchase the stamp, despite the 10-cent-price increase, to support breast cancer research. Likewise, one fund-raising expert from the BBB Wise Giving Alliance told us that, even with the 10-cent price increase, the Breast Cancer Research stamp price is still relatively low. According to this official, doubling the price, on the other hand, would probably negatively impact sales, but it is difficult to determine at which point an increase in price will negatively affect sales for any given item. Two of the three advocacy groups that we spoke with and that are affiliated with breast cancer said they could not say what impact, if any, the price increase may have on Breast Cancer Research stamp sales, while the third group believed a decline in sales would result.

## Heroes of 2001 Stamp

During its sales period, a total of 132.9 million Heroes of 2001 stamps were sold. From the stamp sales, the Service transferred about \$10.6 million to FEMA for distribution to the families of emergency relief personnel who were either killed or permanently disabled while serving in the line of duty in connection with the terrorist attacks of September 11, 2001. Sales of the Heroes of 2001 stamp were initially high after June 2002 when it went on sale, and over 50 percent of the stamp's sale (see fig. 1) occurred in the two-quarters following issuance. However, shortly thereafter, sales began to decline. In our 2005 report, we attributed this decline to the stamp's inability to maintain steady sales over time—or lack of staying power. Sales of the Heroes of 2001 stamp reflected the dramatic emotional spike typically associated with episodic events, such as a disaster, with fund-raising efforts building quickly and then declining as events begin to retreat from the public spotlight. In contrast, ongoing causes, such as finding a cure for breast cancer, are more likely to maintain staying power overtime, according to fund-raising experts. While the postage rate for the Heroes of 2001 stamp did not change during its sales period, the postage rate for a First-Class stamp did increase—also causing the differential revenue percentage to decline. Table 2 illustrates these changes.

**Table 2: Comparison of Historical First-Class Postage Rates with Heroes of 2001 Postage Rates and Related Differential Revenue Percentages**

Date	First-Class postage rate	Heroes of 2001 stamp postage rate	Rate difference / differential revenue percentage
June 7, 2002 (beginning of sales period for the Heroes of 2001 stamp)	.34	.45	.11/32
June 30, 2002 change in First-Class postage	.37	.45	.08/22

Source: GAO analysis of U.S. Postal Service data.

Note: The sales period for the Heroes of 2001 stamp was from June 7, 2002 to December 31, 2004. No changes in postage rates occurred for First-Class postage or the Heroes of 2001 stamp between June 30, 2002, and December 31, 2004.

## Stop Family Violence Stamp

The Service sold 45.4 million Stop Family Violence stamps during its sales period—the lowest sales of the three semipostals. Similar to the sales patterns for the Heroes of 2001 stamp, sales for the Stop Family Violence stamp were highest during the initial two quarters following issuance (see fig. 1) and then declined. Sales fell from 6.6 million sold in the first quarter of fiscal year 2004—when the sales period began—to 2.8 million sold in



---

the first quarter of fiscal year 2007—when the sales period ended. The Stop Family Violence stamp raised about \$3.2 million, which the Service transferred to ACF to fund domestic violence prevention programs.

This review reconfirmed our previous findings regarding the factors that likely affected Stop Family Violence semipostal sales. In 2005, we reported that factors such as stamp design, confusion about how the proceeds would be used, and limited advertising were factors that likely affected sales. For this review, four of the five advocacy groups we spoke with about the Stop Family Violence stamp told us that the stamp’s design—an image of a crying child—played a key role in low stamp sales (see fig. 2). Several advocacy group officials commented that as a result, postal customers were not likely to use the stamp on wedding invitations or holiday mail. At least two officials told us that the Service should have consulted with the domestic violence community before selecting the stamp’s final design. One official told us that in so doing, the Service would have immediately learned that a different design would have been more appropriate. Another advocacy group official told us that because domestic violence is an emotionally charged issue, a softer image was needed for the stamp to have been more effective. This official suggested, for example, that a purple ribbon—often associated with domestic violence, would have been a more appropriate design.

In contrast, the Service felt that the design of the Stop Family Violence stamp was not a key factor in the stamp’s lower sales. The Service noted that there are few subjects that will garner the same level of support as the Breast Cancer Research stamp. The Service also noted that it rarely consults with advocacy groups regarding the stamp design because it is difficult to gain consensus.

In 2005, we also reported that support may be further enhanced if the semipostal or available marketing information clearly indicated how the proceeds will be used.<sup>12</sup> During this review, three of the five advocacy groups affiliated with preventing domestic violence told us that confusion about how proceeds would be used also affected stamp sales. One advocacy group specifically described this confusion as concern in the domestic violence community that proceeds from the Stop Family Violence stamp might go to children’s programs in general—and not specifically to enhance services for children exposed to domestic violence.

---

<sup>12</sup>[GAO-05-953](#).

---

According to officials from this advocacy group and another, had it been known early on how the proceeds would be used, the domestic violence community would have given the stamp its full support and would have been more likely to advertise it. Both of these efforts could have resulted in higher Stop Family Violence stamp sales—as, according to the American Red Cross and the BBB Wise Giving Alliance officials, advocacy groups are the most useful tool for getting the word out about charitable causes and fund-raising efforts.

In addition, we reported in 2005 that, comparatively speaking, a limited amount of advertising was performed to promote sales of the Stop Family Violence stamp. The Breast Cancer Research and Heroes of 2001 stamps had extensive Service advertising campaigns, as the Service spent nearly \$900,000 to advertise the Breast Cancer Research stamp and over \$1.1 million for the Heroes of 2001 stamp. However, due to an overall reduction in the Service's budget, since 2003 advertising for all stamps, including semipostals, were limited to in-store messaging.<sup>13</sup> Consequently, when the Stop Family Violence stamp was issued, the Service had established a policy that all costs incurred for advertising semipostals would be recovered from the semipostal's proceeds. As a result, the advertising costs incurred for this stamp were deducted from its proceeds.

When the Service met with ACF before the Stop Family Violence stamp was issued, the Service proposed spending \$1.5 million or more on an advertising campaign to be funded by future Stop Family Violence stamp proceeds. Because of the uncertainty about how much money would be raised through sales of the stamp, ACF decided not to pursue the proposed advertising campaign. Instead, the Service and ACF looked to the advocacy groups to promote the semipostal. However, as discussed above, uncertainty about how the proceeds would be used was one reason why the domestic violence community did not fully support the semipostal. Through May 1, 2007, the Service spent about \$78,000 to advertise the Stop Family Violence stamp, and about \$77,000 was recovered from the stamp's proceeds.<sup>14</sup> The postage rate for the Stop Family Violence stamp did not change during its sales period, but the postage rate for a First-Class stamp

---

<sup>13</sup>In-store messaging includes point of purchase placards and posters that include the semipostal's image along with commemorative stamp images.

<sup>14</sup>About \$1,000 of the amount spent for advertising was covered by the First-Class postage rate.

did increase—causing the differential revenue percentage to decline. Table 3 illustrates these changes.

**Table 3: Comparison of Historical First-Class Postage Rates with Stop Family Violence Stamp Postage Rates and Related Differential Revenue Percentages**

Date	First-Class postage rate	Stop Family Violence stamp postage rate	Rate difference/differential revenue percentage
October 8, 2003 (beginning of sales period for the Stop Family Violence stamp)	.37	.45	.08/22
January 8, 2006 change in First-Class postage	.39	.45	.06/15

Source: GAO analysis of U.S. Postal Service data.

Note: The sales period for the Stop Family Violence stamp was from October 8, 2003, to December 31, 2006. No changes in postage rates occurred for First-Class postage or the Stop Family Violence stamp between January 8, 2006, and December 31, 2006.

## Designated Agencies Have Distributed Semipostal Proceeds, but Only DOD and ACF Have Reported Their Use of the Proceeds to Congress

All of the designated federal agencies have distributed proceeds from the sale of semipostals to their respective causes. Both NIH and DOD have started to use proceeds from the sale of the Breast Cancer Research stamp to fund new programs. ACF has used proceeds from the Stop Family Violence stamp to award nine grants under a program that provides funds to organizations that deliver services to children who have been exposed to domestic violence. Finally, FEMA has recently distributed the remaining proceeds from the Heroes of 2001 stamp to the families of emergency relief personnel who were either killed or permanently disabled while serving in the line of duty in connection with the terrorist attacks of September 11, 2001. Of the four designated agencies, only DOD and ACF have submitted to Congress a GAO-recommended report on the agency's use of semipostal proceeds.

## Breast Cancer Research Stamp Proceeds Used to Fund New Programs at NIH and DOD

Proceeds from the sale of the Breast Cancer Research stamp fund breast cancer research grants and programs supported by NIH and DOD. NIH, which began receiving proceeds from the Breast Cancer Research stamp in 1998, has distributed its share of the proceeds through four different programs. Initially, NIH used the proceeds to award high-risk research grants through the Insight Awards to Stamp Out Breast Cancer initiative. This program was administered by the National Cancer Institute (NCI). In 2003, NIH created the Exceptional Opportunities in Breast Cancer

---

Research initiative, which grants stamp proceeds to more traditional, well-established research projects that would not have been otherwise funded. In 2006, NIH started using Breast Cancer Research stamp proceeds for the Trial Assigning Individualized Options for Treatment (TAILORx) and the Breast Pre-Malignancy Program. TAILORx is designed to determine which patients with early stage breast cancer are most likely to benefit from chemotherapy and, therefore, to reduce the use of chemotherapy in patients that are unlikely to benefit. The Breast Pre-Malignancy Program is an NCI-wide program in breast cancer research that includes the areas of prevention, etiology, biology, diagnosis and molecular epidemiology. This program was created in the fall of 2005 when NCI leaders recommended that the Breast Cancer Research stamp proceeds be used to fund a program addressing multiple aspects of breast cancer pre-malignancy. They hoped that linking NCI's research programs with research programs underway at universities, medical schools, hospitals, and research institutions, would create a collaborative and integrated program that would result in new discoveries and interventions.

As previously discussed, NIH received approximately \$38 million from the Service from the sale of the Breast Cancer Research stamp. Of this amount, NIH has spent nearly \$26 million and has set aside an additional \$8 million to cover the remainder of the Exceptional Opportunities in Breast Cancer Research initiative and the Breast Pre-Malignancy program. NIH has not yet determined whether it will use the remaining \$4 million for an existing or new breast cancer research program. NIH has not used any of the stamp proceeds to manage these programs; and as a result, the proceeds available for breast cancer research were not reduced.

DOD also began receiving Breast Cancer Research stamp proceeds in 1998. Initially, DOD's share of the proceeds from the Breast Cancer Research stamp funded grants under its Idea Awards Program, which funds innovative approaches to breast cancer research. In 2007, DOD began using stamp proceeds to fund Synergistic Idea Awards. This program, which is designed to promote new ideas and collaborations, is similar to the Idea Awards Program in that it funds innovative, high-risk, high-reward breast cancer research but differs in that it requires two researchers to work synergistically on a research project. Both programs are administered by the Office of the Congressionally Directed Medical Research Programs, which is part of the U.S. Army Medical Research and Materiel Command. DOD received approximately \$16.4 million from the Service from the sale of the Breast Cancer Research stamp. DOD has spent its share of the stamp's proceeds for grants, except for approximately \$608,000, or about 4 percent, which has been used for overhead costs

related to managing the grants. Table 4 contains information about NIH and DOD grants, including the size and number of grants awarded.

**Table 4: NIH and DOD Grants and Awards Funded with Breast Cancer Research Stamp Proceeds**

Agency	Grant	Grant mission	Number of grants awarded and amounts	Grant selection and evaluation
NIH	Insight Awards to Stamp Out Breast Cancer (2000-2002)	Fund high-risk exploration by scientists employed outside the federal government who conduct research at their own institutions. Awarded for a 2-year period.	Awarded 87 Insight Awards totaling about \$9.4 million.	Program announcements are released through the NIH Guide for Grants and Contracts and NCI's website. Grant applications undergo two levels of peer review that evaluate scientific and technical merit.  Grants are monitored annually and are given a final review at their conclusion. Criteria used to measure progress include publications and patent filings.
NIH	Exceptional Opportunities in Breast Cancer Research (2003-2007)	Funds well-established research that would not have been funded otherwise. Awarded for a maximum of 4 years.	As of the end of fiscal year 2006, NIH awarded 31 Exceptional Opportunities Awards totaling nearly \$10.8 million.	Same process as described above for Insight Awards.
NIH	Trial Assigning Individualized Options for Treatment (TAILORx) (2006-present)	Funds a trial designed to determine which breast cancer patients are most likely benefit to from chemotherapy.	As of the end of fiscal year 2006, \$4,500,000 given to the trial to offset the costs of testing.	The funds were provided to Genomic Health, Inc. by means of a sole source purchase order. This laboratory developed the diagnostic test and is the only one that performs the test, therefore, no competition was held. The funds have been obligated, but the laboratory must submit a monthly voucher to be reimbursed for the tests it performed during that month.

Agency	Grant	Grant mission	Number of grants awarded and amounts	Grant selection and evaluation
NIH	Breast Pre-Malignancy Program (2006-present)	Funds an integrated program in breast cancer research that includes the areas of prevention, etiology, biology, diagnosis and molecular epidemiology.	Awarded 6 grants in fiscal year 2006 for a total of \$853,000 and funded projects in NCI laboratories totaling \$371,000.	The Breast Pre-Malignancy Steering Committee provides oversight for the program. It consists of representatives from each NCI division and office that supports or manages studies, grants, or contracts in the Breast Pre-Malignancy Program. The committee monitors the progress of research initiatives, identifies areas for collaboration and coordination, keeps aware of science related to breast pre-malignancy, and provides recommendations for furthering breast pre-malignancy research.
DOD	Idea Awards (1999-2006)	Funds innovative high-risk/high-return research.	As of September 2007, DOD granted 36 Idea Awards totaling about \$14.6 million.	Program announcements are posted online. Applications undergo two tiers of review. The first tier is peer review that evaluates technical and scientific merit. The second tier is programmatic review that compares applications to each other.  Grants are monitored annually. Criteria used to measure progress include publications, presentations, patents, and products.
DOD	Synergistic Idea Awards (Started in 2007)	Brings together two scientists in a collaborative effort to conduct innovative breast cancer research. Grants are available for up to \$500,000 for a maximum 2-year period.	In fiscal year 2007, DOD awarded 3 grants using Breast Cancer Research stamp proceeds totaling over \$1.2 million.	Same process as described above for the Idea Awards.

Source: NIH and DOD.

Grants awarded under the NIH Insight Awards and Exceptional Opportunities programs and DOD Idea Awards program have resulted in significant accomplishments in breast cancer research, according to agency officials. The TAILORx and Breast Pre-Malignancy programs first received funding in 2006 and, according to NIH, it is too soon to identify major accomplishments from these initiatives. Table 5 provides some examples of research findings from NIH's Insight Awards and Exceptional Opportunities programs and DOD's Idea Awards that were funded with proceeds from the Breast Cancer Research stamp.

**Table 5: Select Research Findings from NIH and DOD Grants and Awards Funded with Breast Cancer Research Stamp Proceeds**

<b>Grant program (agency)</b>	<b>Principal investigator and institution</b>	<b>Research finding</b>
Insight Awards (NIH)	Robert Weinberg, Ph.D. Whitehead Institute for Biomedical Research	This is early research into the role the breast cancer microenvironment plays in the development of breast cancer progression. It has led to a holistic approach to the study of the mammary tumor and its environment and has provided new opportunities and targets for intervention.
	David Krag, M.D. University of Vermont	This grant developed a number of innovative approaches and techniques to isolate and identify cancer cells from the peripheral blood of cancer patients. These screening peptides could potentially be used to target therapeutics to these rare cells and perhaps treat metastases.
Exceptional Opportunities (NIH)	Susan Neuhausen, Ph.D. University of California	This research is focused on individuals with a specific genetic mutation. The researchers are using a database that contains both genetic and environmental data to further define the breast and ovarian cancer risk for this group of individuals, with a focus on the insulin-like growth factor signaling pathway. This work has led to many insights into breast cancer risks.
	William M. Lee University of Pennsylvania	This grant studies the mechanisms of why some tumors are rejected while others persist under the same conditions. It specifically focuses on the growth of blood vessels in tumors. Treating cancers by targeting their blood vessels (i.e., using antivascular agents) is based on sound scientific rationale and has been shown to be highly effective against transplanted tumors in mice. Results of human clinical trials of antivascular agents have been less promising, however. This grant supports research investigating the reasons for that discrepancy.
Idea Awards (DOD)	Archibald Perkins, Ph.D. Yale University	This research involves using new techniques to identify novel genes involved in cancer. Investigators have identified many genes not previously shown to be associated with mammary tumorigenesis. This work may help with the prognosis of some breast cancers.
	Todd Giorgio, Ph.D. Vanderbilt University	This project has made progress in synthesizing different types of nanoparticles for use in the early detection and treatment of breast cancer. This study suggests that the use of nanoparticles and nanocrystals could be utilized as a future inexpensive method of screening for breast cancer activity, as well as a mechanism to improve breast cancer imaging and treatment delivery.

Source: NIH and DOD.

---

## ACF Uses Stop Family Violence Stamp Proceeds for Grant Program

ACF is using the proceeds from the Stop Family Violence stamp to fund a discretionary grant program called Demonstration of Enhanced Services to Children and Youth Who Have Been Exposed to Domestic Violence that supports children who have been exposed to domestic violence. This grant program is administered under the Family Violence Prevention and Services Act Program (FVPSA). Stop Family Violence stamp proceeds have temporarily increased FVPSA's budget for discretionary grants from \$2.4 million per year to approximately \$3.5 million per year. This grant program was created to increase the availability of child-centered services, develop and test new interventions and identify promising practices, and to expand the capacity of domestic violence shelters and community programs to effectively serve children exposed to violence. Some of the eligible activities covered under the grant program include providing services to children exposed to domestic violence, developing processes to ensure confidentiality of information shared by adult victims of domestic violence and their children, providing training to service providers, and developing educational materials for delivering intervention and prevention services to children who have been exposed to domestic violence.

The Service distributed about \$3.2 million in stamp proceeds to ACF from May 2004 to May 2007. In June 2005, ACF published the grant opportunity announcement. ACF received 65 applications and selected nine applicants to receive 3-year grants. In fiscal years 2005 and 2006, each grantee received approximately \$130,000 per year. In fiscal year 2007, ACF distributed about \$96,000 to each of the grantees, to expend the balance of stamp proceeds. ACF is distributing all stamp proceeds under the grants program. ACF has absorbed the costs of managing the grant program by managing the program with existing staff. Also, ACF has funded the peer review of grant applications and supported an annual training and technical assistance meeting for grant recipients. Table 6 provides information about grants awarded by ACF with Stop Family Violence stamp proceeds.



**Table 6: ACF Grants Awarded Using Stop Family Violence Stamp Proceeds**

Agency	Grant	Grant mission	Number of grants and amounts	Grant selection and evaluation
ACF	Demonstration of Enhanced Services to Children and Youth Who Have Been Exposed to Domestic Violence	To provide enhanced services and support to children and youth exposed to domestic violence in order to mitigate the impact of that exposure and increase the opportunity of these children and youth to lead healthy, nonviolent, and safe lives as adults.	ACF awarded 9 grants for a period of 3 years. In fiscal years 2005 and 2006, each recipient received \$130,000. In fiscal year 2007, each recipient received about \$96,000.	<p>Grant announcements are released through ACF's website and <a href="http://www.grants.gov">http://www.grants.gov</a>, an online repository of federal grant opportunities managed by HHS.</p> <p>Grant applications are evaluated on a weighted set of criteria made available to applicants in the program announcement.</p> <p>Grantees are monitored semiannually through required progress and financial reports and are given a final review once the grant project is completed.</p> <p>Grantees are required to state how they will determine the extent to which the project has achieved its stated objectives and the extent to which accomplishments can be attributed to the project.</p>

Source: ACF.

The projects funded by this grant program are still underway, and ACF has not yet evaluated its accomplishments. According to ACF, several grantees are evaluating the effectiveness of their efforts and have reported significant progress in achieving their project goals. For example, one goal is to expand the capacity of domestic violence prevention programs to address the needs of children and families in and out of emergency shelters. Another goal is to develop and enhance community-based interventions for children exposed to domestic violence whose parents have not sought the services of a domestic violence prevention program. During the final year of program funding, ACF plans to initiate an effort to identify, describe, and disseminate promising practices that emerge from the projects.

**FEMA Recently Distributed Proceeds from Heroes of 2001 Stamp**

FEMA has received over \$10.5 million from Heroes of 2001 stamp proceeds for distribution to the families of emergency relief personnel who were either killed or permanently disabled while serving in the line of duty in connection with the terrorist attacks against the United States on September 11, 2001. The Service transferred the proceeds to FEMA in six disbursements from November 2002 to May 2005. Once all of the proceeds were received, FEMA published an Interim Rule in the Federal Register on July 26, 2005, that established the program to be used to distribute the stamp proceeds. This rule established that the funds would be distributed

equally among all of those deemed eligible. A notice announcing the application period for the program was published in December 2005, and FEMA accepted applications from December 2, 2005, until April 3, 2006. The first payment of funds was distributed to eligible applicants in November 2006 and FEMA made the final payments in August 2007. Because the total amount available and the number of eligible recipients was unknown, FEMA decided to wait until the end of the Heroes of 2001 stamp sales period before finalizing this program and beginning the process of identifying recipients. Table 7 provides information about FEMA's distribution of Heroes of 2001 stamp proceeds.

**Table 7: FEMA's Distribution of Heroes of 2001 Stamp Proceeds**

Agency	Grant	Grant mission	Number of grants and amounts	Grant selection and evaluation
FEMA (program managed by the U.S. Fire Administration)	Assistance Program Under the 9/11 Heroes Stamp Act of 2001	To benefit the families of emergency relief personnel who were killed or permanently disabled while serving in the line of duty in connection with the terrorist attacks against the United States on September 11, 2001.	FEMA awarded Heroes of 2001 proceeds to 1,377 applicants who met the eligibility requirements. Each recipient received \$7,672.53.	Applications were available from FEMA upon request. They could also be downloaded from FEMA's website.  Eligible recipients included those who have been permanently physically disabled in the line of duty, and personal representatives of emergency relief personnel who were killed in the line of duty, while serving at the World Trade Center, Pentagon, or Shanksville, PA, site in connection with the terrorist attacks on September 11, 2001.

Source: FEMA.

FEMA conducted outreach efforts prior to and early into the application process to inform potential applicants about the program and its requirements. These efforts included face to face briefings with relevant New York City area emergency relief agencies and their labor unions, as well as discussions with emergency relief agencies in Shanksville, PA, and areas surrounding the Pentagon in Washington, D.C. Broadcast e-mails were forwarded to all of the urban search and rescue teams that assisted at the locations of the attacks. In addition, agency and union newsletters and other media in the New York City area carried stories regarding the availability of the program and how to apply.

---

Specifically, as it related to assisting families of deceased emergency relief workers, the New York City Police Department, New York City Fire Department, and the Port Authority of New York and New Jersey all cooperated and coordinated with FEMA by providing special assistance and directly notifying the families of the deceased about how to avail themselves of the program. In addition, these agencies assisted applicants by completing the appropriate sections of the applications, as required. However, assisting the large number of applicants in preparing their paperwork placed an unexpected burden on these agencies, according to FEMA and officials from these agencies. When we discussed the process for distributing the stamp proceeds with FEMA and these agencies, all officials agreed that the process was collaborative and successful. According to officials from the emergency relief agencies, the application process required an extensive amount of work, but ultimately grant recipients were grateful to receive the funds and generally were not concerned about the length of time it took FEMA to disburse the stamp proceeds.

FEMA received a total of 1,945 applications and determined that 1,377 applicants were eligible to receive funds. To apply for Heroes of 2001 stamp proceeds, victims or their families had to complete the application and submit supporting documentation. This documentation had to demonstrate that the individual was present at an eligible site—World Trade Center, Pentagon, or Shanksville, PA— during the 96 hour period required for eligibility and confirm that the individual was deceased or living with a permanent physical disability as a result of the attacks.<sup>15</sup> Examples of documents used to ascertain eligibility included, among other things, death certificates, worker compensation agency decisions, Social Security Administration disability documents, and affidavits from employers and co-workers. Once FEMA received the application and required documentation, a staff attorney and the project manager reviewed the applicant's file. If they agreed that all elements necessary to qualify for the grant were clearly present and documented, they recommended the application for approval on a consent agenda for the next meeting of the Heroes Stamp Review Panel, which consisted of staff from FEMA, the National Fire Academy, and the Emergency Management Institute. Any questionable applications were reviewed and evaluated individually by the Heroes Stamp Review Panel. Applicants who were

---

<sup>15</sup>Emergency relief personnel suffering only emotional injuries were excluded in the definition of eligible claimants.

---

determined to be ineligible through this process were allowed an opportunity to appeal the decision.

Even though FEMA conducted outreach efforts in metropolitan Washington, D.C., and Shanksville, PA, no applications were received from these areas. All of the applicants and recipients were emergency relief workers from the attacks in New York. A large majority of applicants and recipients were emergency relief personnel that are permanently disabled as a result of serving in the line of duty in connection with the terrorist attacks. Table 8 provides additional information about the recipients of stamp proceeds.

**Table 8: Applicants and Recipients of Heroes of 2001 Stamp Proceeds**

<b>Category</b>	<b>Number of applicants</b>	<b>Number of recipients</b>
Emergency relief personnel who were permanently disabled in the attacks	1,527	972
Families of emergency relief personnel who were killed in the attacks	418	405
<b>Total</b>	<b>1,945</b>	<b>1,377</b>

Source: FEMA.

The majority of recipients of Heroes of 2001 stamp proceeds were firefighters involved in rescue efforts related to the terrorist attacks. The firefighters included members of the New York City Fire Department, volunteer firefighters from other fire departments in the area, and members of urban search and rescue teams. Other recipients included law enforcement, Emergency Medical Services (EMS), and other safety personnel who were involved in the rescue efforts. Table 9 below lists the number of applicants and recipients in each of these categories.

**Table 9: Number of Applicants and Recipients in Each Emergency Relief Category**

<b>Emergency relief category</b>	<b>Number of applicants</b>	<b>Number of recipients</b>
Fire <sup>a</sup>	1,506	1,164
Law enforcement <sup>b</sup>	328	152
EMS <sup>c</sup>	62	34
Other <sup>d</sup>	49	27
<b>Total</b>	<b>1,945</b>	<b>1,377</b>

Source: FEMA.

<sup>a</sup>Includes FDNY firefighters, volunteers firefighters from other fire departments, and members of urban search and rescue teams.

<sup>b</sup>Includes those from NYPD, the NY/NJ Port Authority, FBI, Secret Service, other NYS and NYC law enforcement agencies, and police departments and sheriff offices from the NYC area.

<sup>c</sup>Includes EMS personnel from FDNY, as well as other NYC agencies, and EMS personnel from NYC area hospitals.

<sup>d</sup>Includes safety personnel from the World Trade Center who were responsible for emergency duties in the WTC and remained in the structures performing other duties and others who performed eligible emergency relief duties.

FEMA distributed the entire amount of the stamp's proceeds to the 1,377 eligible recipients. FEMA decided to distribute an equal portion of the proceeds to each eligible recipient and each one received \$7,672.53.<sup>16</sup> It was initially unclear how many of the applicants would be deemed eligible to receive the stamp proceeds, so FEMA distributed the proceeds using a three-stage approach. This allowed some of the funds to be distributed to the recipients while the remaining eligibility decisions and appeals processes were still in progress.

According to FEMA, several factors contributed to the length of time it took to distribute the funds. First, FEMA decided that each recipient would receive an equal amount of the proceeds, which meant that all of the recipients had to be identified and all appeals had to be completed before the final dollar amount of each award could be determined. Second, the majority of the applicants and recipients were permanently disabled as a result of serving in the line of duty in connection with the terrorist attacks. Some of these disabilities did not surface until well after the attacks, and the process to determine which applicants met the criteria was complicated. For example, if a firefighter claimed eligibility based on

<sup>16</sup>In order to totally deplete the proceeds from the sale of the stamp, 1,357 recipients received \$7,672.53 and 20 recipients received \$7,672.52.

---

suffering from respiratory disease, it could be difficult to prove that their injuries resulted from involvement in the rescue efforts following the terrorist attacks and not from his entire firefighting career. Third, verification of these injuries required extensive paperwork, which had to be completed, in part, by the emergency relief agencies with the use of existing personnel. According to officials from some of these agencies, it took considerable effort to complete the paperwork. When these agencies became backlogged, FEMA allowed applicants to submit partial paperwork, as long as all required documentation was received by the deadline.

Although the enabling legislation authorized the Service to recover administrative and related costs for selling the stamp, FEMA was not authorized to recover its administrative costs for the actual operation of the program to distribute the proceeds. FEMA estimates that it cost about \$383,000 to administer the program. This sum includes the salary and benefits of U.S. Fire Administration staff responsible for the day to day management of the program,<sup>17</sup> postage, travel costs, setting up a toll free hotline, and supplies.

---

## Some Agencies Report on Use of Stamp Proceeds

In our 2005 report, we recommended that the designated agencies issue reports to Congress on their use of semipostal proceeds. Program reporting is important because it ensures accountability and provides information to Congress and other interested parties regarding the use of proceeds. The designated agencies have varied in their response to our recommendation. DOD issued a report to Congress in July 2007 on its use of proceeds from the Breast Cancer Research stamp and plans to report annually as part of its report on Congressionally Directed Medical Research Programs. In addition, DOD provides information about the use of Breast Cancer Research stamp proceeds through information papers and its website. ACF prepared a report on its use of proceeds from the Stop Family Violence stamp and issued it to Congress in August 2007. The report includes information on the use of the proceeds and the related accomplishments achieved to date. Since 2007 is the final year for funding the grant program that uses Stop Family Violence stamp proceeds, the grantees will be preparing reports on the effectiveness of their efforts and

---

<sup>17</sup>FEMA asked the U.S. Fire Administration (USFA) to manage the program using USFA staff for day to day management of the program. Both FEMA and USFA also provided staff to serve on the Review Panel which made eligibility determinations on the applications, but personnel services for the review panel were provided on an in-kind basis.

---

the lessons learned. Using these reports, ACF anticipates preparing a final report for Congress on the grant program for release in 2009. FEMA plans to issue a report on its distribution of Heroes of 2001 stamp proceeds in the fall of 2007. NIH does not have any plans to report to Congress on its use of proceeds from the Breast Cancer Research stamp, but NIH officials noted that information on the breast cancer stamp is available to the public on its website and, occasionally, through the NCI newsletter. We found that NIH's website and NCI newsletter do provide useful overview information about NIH's use of Breast Cancer Research stamp proceeds. However, NIH's website did not provide detailed information on the amount of proceeds received to date, how the proceeds were used and any related accomplishments resulting from the use of these proceeds.

While we are not making any new recommendations in this report, we reaffirm our prior recommendation aimed at ensuring greater accountability and greater support for the Breast Cancer Research stamp. Specifically, in our September 2005 report, we recommended that the Secretary of Health and Human Services submit to the congressional committees with jurisdiction over the Service annual reports on the amount of funding received from the Breast Cancer Research stamp, how these funds were used, and accomplishments achieved with these funds.

---

## Agency Comments

We provided a draft of this report to the Service, ACF, DOD, FEMA, HHS, and NIH for review and comment. These organizations did not offer overall comments on the draft report. They provided technical comments, which we incorporated where appropriate.

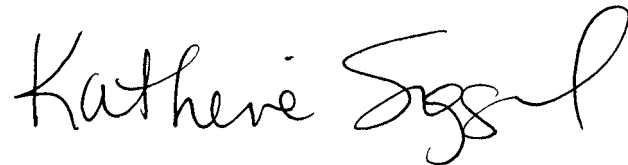
---

We are sending copies of this report to Senators Dianne Feinstein and Kay Bailey Hutchison and Representatives Joe Baca and Wm. Lacy Clay because of their interest in the Breast Cancer Research stamp; Senators Hillary Rodham Clinton and Charles E. Schumer because of their interest in the Heroes of 2001 stamp; the Postmaster General; the Chairman of the Postal Regulatory Commission; and other interested parties. We will make copies available to others upon request. This report will also be available on our Web site at no charge at <http://www.gao.gov>.

If you have any questions about this report, please contact me at (202) 512-2834 or [siggerudk@gao.gov](mailto:siggerudk@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report included Gerald P. Barnes,

---

Assistant Director; Jennifer Clayborne; Colin Fallon; Kathleen Gilhooly;  
Brandon Haller; Josh Ormond; and Stephanie Purcell.

A handwritten signature in black ink that reads "Katherine Siggerud". The signature is written in a cursive style with a large, looping initial 'K' and a long, sweeping tail for the 'S'.

Katherine A. Siggerud  
Director, Physical Infrastructure Issues



# Appendix I: Scope and Methodology

To determine the amount of money raised through the sale of the semipostals, we analyzed semipostal sales data that the U.S. Postal Service (Service) provided to us. These data included the amount of quarterly stamp sales and the amount of proceeds that the Service transferred to the four federal agencies designated for each semipostal. We also interviewed officials from the designated federal agencies to confirm the amount of proceeds each received from the Service. The four designated federal agencies are the National Institutes of Health (NIH) and the Department of Defense (DOD) for the Breast Cancer Research semipostal; the Department of Homeland Security (DHS) for the Heroes of 2001 semipostal; and the Administration for Children and Families (ACF) within the Department of Health and Human Services for the Stop Family Violence semipostal. In addition, we obtained stakeholders' views on what factors affected semipostal sales. For example, we spoke with Service officials; professional fund-raising organizations; and national advocacy groups affiliated with breast cancer, emergency relief personnel affected by the terrorist attacks of September 11, and domestic violence. Also, we interviewed Dr. Ernie Bodai, who is credited with conceiving the idea for the Breast Cancer Research stamp, and Ms. Betsy Mullen, who lobbied Congress for the stamp along with Dr. Bodai. Table 10 identifies the stakeholders whom we spoke with. To determine the reliability of the data we received, we obtained and reviewed specific information on the Service's data collection and processing system. We determined that the data were sufficiently reliable for the purpose of this report.

**Table 10: Agencies, Advocacy Groups, and Organizations That GAO Consulted for Their Opinions and Experiences with the Semipostals**

	Organizations interviewed
Breast Cancer Research stamp	The American Cancer Society
	The National Breast Cancer Coalition
	The National Institutes of Health, National Cancer Institute
	Susan G. Komen for the Cure
	U.S. Department of Defense, Army Medical Research and Materiel Command
Heroes of 2001 stamp	The New York City Fire Department, Family Assistance Unit
	The New York City Fire Department, Bureau of Legal Affairs
	The Port Authority of New York and New Jersey
	The Uniformed Firefighters Association of Greater New York
	U.S. Department of Homeland Security, Federal Emergency Management Agency

	<b>Organizations interviewed</b>
Stop Family Violence stamp	The Family Violence Prevention Fund
	The National Coalition Against Domestic Violence
	The National Domestic Violence Hotline
	The National Network to End Domestic Violence
	The National Resource Center on Domestic Violence
	U.S. Department of Health and Human Services, Administration for Children and Families
Fund-raising organizations	The Association of Fundraising Professionals
	The American Red Cross
	The Better Business Bureau, Wise Giving Alliance

Source: GAO.

To determine how the designated federal agencies have used semipostal proceeds and reported results, we interviewed key officials from each agency that receives these funds. These agencies included the National Cancer Institute within NIH, the U.S. Army Medical Research and Materiel Command within DOD, the Federal Emergency Management Agency within DHS, and ACF. In addition, we obtained and reviewed agency documentation pertaining to grant programs funded with semipostal proceeds, including grant program development, purpose and goals, award and program guidelines, the number and amounts of awards, reporting requirements, and grant outcomes.

Finally, to describe the monetary and other resources expended by the Service in operating and administering the semipostal program, we obtained and analyzed the Service’s data on costs of administering semipostals as well as what costs the Service has recovered. We also discussed the design of the semipostals, advertising, and postage rate increases with officials in the Service’s Office of Stamp Services.

---

# Appendix II: Postal Service Semipostal Costs Recovered

---

According to the Postal Service (Service), cost items recoverable from the funds raised by semipostals include, but are not limited to, packaging costs in excess of those for comparable stamps, printing costs for flyers or special receipts, costs of changes to equipment, costs of developing and executing marketing and promotional plans in excess of those for comparable stamps, and other costs that would not normally have been incurred for comparable stamps.<sup>1</sup> Specifically, the Service has identified 13 cost categories that it uses to track semipostal costs.<sup>2</sup> These categories include the following:

- stamp design,
- stamp production and printing,
- shipping and distribution,
- training,
- selling stamps,
- withdrawing stamps from sale,
- destroying unsold stamps,
- advertising,
- packaging stamps,
- printing flyers and special receipts,
- equipment changes,
- developing and executing marketing and promotional plans, and
- other costs (legal, market research, and consulting).

---

<sup>1</sup>39 C.F.R. 551.

<sup>2</sup>USPS, *United States Postal Service: Response to the General Accounting Office Recommendations on the Breast Cancer Research Stamp* (June 25, 2004).

Costs reported by the Service totaled nearly \$18.2 million through June 30, 2007 (see table 11). Costs for the Breast Cancer Research stamp accounted for \$12.7 million of this amount. The Service determined that about \$1.9 million of the total costs related to the three stamps represented costs that were attributable specifically to the semipostals, would not have been incurred for comparable stamps, and therefore, needed to be recovered. The recovered amounts varied from \$1.2 million for the Breast Cancer Research stamp to just over \$200,000 for the Stop Family Violence stamp. The Service reported that the majority of costs incurred by the semipostals were covered by the First-Class postage rate, and not recovered from the proceeds. Table 11 describes the semipostal costs incurred and recovered by the Service.

**Table 11: Semipostal Costs Incurred and Recovered by the Service, through June 30, 2007**

<b>Semipostal</b>	<b>Total costs incurred by the Service</b>	<b>Costs recovered by First-Class postage rate</b>	<b>Costs recovered from semipostal proceeds</b>
Breast Cancer Research	\$12,711,700	\$11,534,734	\$1,176,966
Heroes of 2001	4,340,406	3,816,799	523,607
Stop Family Violence	1,095,466	871,736	223,730
<b>Total</b>	<b>\$18,147,572</b>	<b>\$16,223,269</b>	<b>\$1,924,303</b>

Source: U.S. Postal Service.

The specific costs recovered from surcharge revenue varied by amount and type of expenditure for each semipostal (see tables 12 to 14, which show costs for each semipostal).<sup>3</sup> As we explained in our September 2005 report, one of the differences is advertising. The Breast Cancer Research and Heroes of 2001 stamps incurred advertising costs of about \$1 million, but when they were issued, the Service had a budget to advertise stamps. Because advertising costs would be incurred for comparable stamps, the Service did not recover these costs. When the Stop Family Violence stamp was issued, the Service had, among other things, eliminated all stamp advertising except for in-store messaging, as previously discussed. Subsequently, the Service established a policy that all costs incurred for advertising semipostals would be recovered from the semipostal's

<sup>3</sup>The surcharge revenue is the amount paid above the First-Class postage rate by a semipostal customer.

**Appendix II: Postal Service Semipostal Costs Recovered**

surcharge revenue. Therefore, the advertising costs incurred for this stamp were deducted from the surcharge revenue.

**Table 12: Breast Cancer Research Stamp Costs Incurred and Recovered by the Service from Inception through June 30, 2007**

<b>Cost item</b>	<b>Cost</b>	<b>Cost covered by First-Class postage rate</b>	<b>Cost recovered from surcharge revenue</b>
Stamp design (including market research)	\$40,000	\$40,000	\$0
Stamp production and printing	5,673,108	5,673,108	0
Shipping and distribution <sup>a</sup>	18,930	18,930	0
Training	612,000	612,000	0
Selling stamps (including employee salaries and benefits) <sup>b</sup>	0	0	0
Withdrawing stamp from sale	166,440	0	166,440
Destroying unsold stamps	0	0	0
Advertising	888,000	888,000	0
Packaging stamps	3,510,496	3,219,696	290,800
Printing flyers and special receipts <sup>c</sup>	238,000	0	238,000
Equipment changes	359,000	176,000	183,000
Developing and executing marketing and promotional plans (NYC kick-off event)	1,006,000	851,000	155,000
Other costs	0	0	0
Legal	22,000	0	22,000
Market research	56,000	56,000	0
Consulting	8,000	0	8,000
Field promotion events > \$3,000	113,726	0	113,726
<b>Total</b>	<b>\$12,711,700</b>	<b>\$11,534,734</b>	<b>\$1,176,966</b>

Source: U.S. Postal Service.

<sup>a</sup>The process of distributing the Breast Cancer Research stamps would not normally differ from those incurred for comparable stamps. Therefore, after reviewing the costs associated with shipping and distribution of the Breast Cancer Research stamp, there are no material differences or specific additional expenses as a result of providing the Breast Cancer Research stamp to postal units, and, therefore, the Service does not withhold distribution costs from the surcharge revenue. The Service does not track shipping and distribution costs by stamp issue.

<sup>b</sup>The Service does not have a system in place to track these costs, and, because the Breast Cancer Research stamps are a small percentage of total stamp sales, it would be extraordinarily difficult and costly to attempt to study, analyze and measure these costs in a live environment. Moreover, existing data indicate that there is no material difference in the costs for selling semipostal and other stamps at the retail window.

<sup>c</sup>Receipts used initially were a different format than the standard postal receipt, and the cost was recovered. Receipts now used are a standard form available for general use. The printing cost is no longer specific to the Breast Cancer Research stamp, and costs are not recovered.

**Appendix II: Postal Service Semipostal Costs Recovered**

**Table 13: Heroes of 2001 Semipostal Costs Incurred and Recovered by the Service from Inception through Final Disbursement on May 2, 2005**

<b>Cost item</b>	<b>Cost</b>	<b>Cost covered by First-Class postage rate</b>	<b>Cost recovered from surcharge revenue</b>
Stamp design (including market research)	\$44,250	\$44,250	\$0
Stamp production and printing	1,565,435	1,565,435	0
Shipping and distribution <sup>a</sup>	0	0	0
Training	0	0	0
Selling stamps (including employee salaries and benefits) <sup>b</sup>	0	0	0
Withdrawing stamp from sale <sup>c</sup>	0	0	0
Destroying unsold stamps <sup>d</sup>	0	0	0
Advertising	1,258,249	1,074,211	184,038
Packaging stamps	1,288,758	995,857	292,901
Printing flyers and special receipts	0	0	0
Equipment changes	0	0	0
Developing and executing marketing and promotional plans (NYC kick-off event)	137,046	137,046	0
Other costs	0	0	0
Legal	0	0	0
Market research	0	0	0
Consulting	0	0	0
Field promotion events > \$3,000	46,668	0	46,668
<b>Total</b>	<b>\$4,340,406</b>	<b>\$3,816,799</b>	<b>\$523,607</b>

Source: U.S. Postal Service.

<sup>a</sup>The process of distributing the Heroes stamps would not normally differ from those incurred for comparable stamps. Therefore, after reviewing the costs associated with shipping and distribution of the Heroes stamp, there are no material differences or specific additional expenses as a result of providing the Heroes stamp to postal units and, therefore the Service does not withhold distribution costs from the surcharge revenue. The Service does not track shipping and distribution costs by stamp issue.

<sup>b</sup>The Service does not have a system in place to track these costs, and, because the Heroes stamps are a small percentage of total stamp sales, it would be extraordinarily difficult and costly to attempt to study, analyze and measure these costs in a live environment. Moreover, existing data indicate that there is no material difference in the costs for selling semipostal and other stamps at the retail window.

<sup>c</sup>Cost of tracking exceeds the cost of withdrawing stamps from sale.

<sup>d</sup>Destruction costs are not independently tracked.

**Appendix II: Postal Service Semipostal Costs Recovered**

**Table 14: Stop Family Violence Semipostal Costs Incurred and Recovered by the Service from Inception through Final Disbursement on May 1, 2007**

<b>Cost item</b>	<b>Cost</b>	<b>Cost covered by First-Class postage rate</b>	<b>Cost recovered from surcharge revenue</b>
Stamp design (including market research)	\$39,750	\$39,750	\$0
Stamp production and printing	353,633	353,633	0
Shipping and distribution <sup>a</sup>	0	0	0
Training	0	0	0
Selling stamps (including employee salaries and benefits) <sup>b</sup>	0	0	0
Withdrawing stamp from sale <sup>c</sup>	0	0	0
Destroying unsold stamps <sup>d</sup>	0	0	0
Advertising	78,307	1,342	76,965
Packaging stamps	617,011	477,011	140,000
Printing flyers and special receipts	0	0	0
Equipment changes	0	0	0
Developing and executing marketing and promotional plans (Colorado kick-off event and White House ceremony)	0	0	0
Other costs (specify)	0	0	0
Legal	0	0	0
Market research	0	0	0
Consulting	0	0	0
Field promotion events > \$3,000	6,765	0	6,765
<b>Total</b>	<b>\$1,095,466</b>	<b>\$871,736</b>	<b>\$223,730</b>

Source: U.S. Postal Service.

<sup>a</sup>The process of distributing the Stop Family Violence stamps would not normally differ from those incurred for comparable stamps. Therefore, after reviewing the costs associated with shipping and distribution of the Stop Family Violence stamp, there are no material differences or specific additional expenses as a result of providing the Stop Family Violence stamp to postal units, and, therefore, the Service does not withhold distribution costs from the surcharge revenue. The Service does not track shipping and distribution costs by stamp issue.

<sup>b</sup>The Service does not have a system in place to track these costs, and, because the Stop Family Violence stamps are a small percentage of total stamp sales, it would be extraordinarily difficult and costly to attempt to study, analyze and measure these costs in a live environment. Moreover, existing data indicate that there is no material difference in the costs for selling semipostal and other stamps at the retail window.

<sup>c</sup>Cost of tracking exceeds the cost of withdrawing stamps from sale.

<sup>d</sup>Destruction costs are not independently tracked.

# Appendix III: NIH Breast Cancer Research Awards Funded with Breast Cancer Research Stamp Proceeds

In November 1998, National Institutes of Health (NIH) began receiving Breast Cancer Research stamp proceeds from the Postal Service. Since then, NIH has distributed the proceeds—totaling nearly \$31 million—through four different mechanisms. Initially, proceeds from the stamp were used to award 87 grants under the Insight Awards to Stamp Out Breast Cancer initiative. Since 2003, NIH used the proceeds to award 31 grants under the Exceptional Opportunities in Breast Cancer Research initiative. In recent years, the agency has used its share of the proceeds to fund the Trial Assigning Individualized Options for Treatment (TAILORx) and the Breast Pre-Malignancy Program. Grants awarded under each program are listed below.

## Insight Awards

The Insight Awards were designed to fund high-risk exploration by scientists who are employed outside the federal government and who conduct breast cancer research at their institutions. Since fiscal year 2000, NCI distributed 87 Insight Awards totaling about \$9.4 million. Most of the awards were for 2-year periods. Table 15 provides information about each Insight Award funded with Breast Cancer Research stamp proceeds, including the fiscal year of the award, sponsoring institution, principal investigator, research area, and the amount of the award.

**Table 15: Insight Awards to Stamp Out Breast Cancer Funded with Proceeds from Breast Cancer Research Stamp Sales**

Fiscal year	Institution	Principal investigator	Research area	Amount
2000	Albany Medical College	Bennett	Treatment	\$116,250
2000	Baylor College of Medicine	Rosen	Metastasis	78,488
2000	Beth Israel Deaconess Medical Center	Junghans	Biology	130,500
2000	Center for Molecular Medicine and Immunology/Garden State Cancer Center	Blumenthal	Treatment	142,500
2000	Clemson University	Chen	Biology/metastasis	105,000
2000	Columbia University Health Sciences	Swergold	Mutagenesis	127,875
2000	Dana-Farber Cancer Institute	Kufe	Biology/tumorigenesis	126,138
2000	Fox Chase Cancer Center	Russo	Tumorigenesis	126,866
2000	Georgetown University	Wong	Biology/diagnosis	116,950
2000	Hadassah University Hospital	Vlodavsky	Metastasis	61,000
2000	Henry M. Jackson Foundation	Lechleider	Biology/metastasis	74,000
2000	Institute for Cancer Research	Yeung	Prevention/biology	126,866
2000	Long Island Jewish Medical Center	Shi	Treatment/nutrition	116,616
2000	Massachusetts General Hospital	Haber	Tumorigenesis	129,500



**Appendix III: NIH Breast Cancer Research  
Awards Funded with Breast Cancer Research  
Stamp Proceeds**

<b>Fiscal year</b>	<b>Institution</b>	<b>Principal investigator</b>	<b>Research area</b>	<b>Amount</b>
2000	Mount Sinai School of Medicine	Kretzschmar	Metastasis	\$125,387
2000	Schepens Eye Research Institute	D'Amore	Biology/tumorigenesis	121,500
2000	State University of New York	Muti	Treatment/nutrition	68,950
2000	Thomas Jefferson University	Sauter	Diagnosis	117,851
2000	University of California, Irvine	Blumberg	Treatment	105,946
2000	University of California, San Francisco	Collins	Treatment	110,625
2000	University of Hawaii	Gotay	Treatment	101,000
2000	University of Illinois at Chicago	Westbrook	Metastasis	116,475
2000	University of Massachusetts, Amherst	Jerry	Biology/tumorigenesis	115,125
2000	University of Melbourne	Thompson	Metastasis	75,000
2000	University of Pennsylvania	Lemmon	Biology/treatment	118,875
2000	University of Pennsylvania	Radice	Metastasis	118,875
2000	University of Pittsburgh	Nichols	Biology/treatment	112,500
2000	University of Utah	Grissom	Treatment	112,125
2000	University of Vermont	Krag	Treatment	113,250
2000	Virginia Mason Research Center	Nelson	Biology/treatment	47,250
2000	Wake Forest University	Shelness	Treatment	108,750
2000	Yale University	Zhang	Biology/tumorigenesis	122,625
2001	Albany Medical College	Bennett	Treatment	116,250
2001	Baylor College of Medicine	Rosen	Metastasis	109,322
2001	Beth Israel Deaconess Medical Center	Junghans	Biology	128,509
2001	Clemson University	Chen	Biology/metastasis	105,000
2001	Columbia University Health Sciences	Fisher	Treatment	127,875
2001	Columbia University Health Sciences	Swergold	Mutagenesis	127,875
2001	Dana-Farber Cancer Institute	Garber	Prevention	128,750
2001	Dana-Farber Cancer Institute	Kufe	Biology/tumorigenesis	99,298
2001	Fox Chase Cancer Center	Russo	Tumorigenesis	126,133
2001	Garden State Cancer Center	Blumenthal	Treatment	142,500
2001	Georgetown University	Byers	Tumorigenesis	116,550
2001	Georgetown University	Dickson	Prognosis/biology	116,600
2001	Georgetown University	Wong	Biology/diagnosis	116,400
2001	Hadassah University Hospital	Vlodavsky	Metastasis	61,000
2001	Henry M. Jackson Foundation	Lechleider	Biology/metastasis	74,000
2001	Institute for Cancer Research	Yeung	Prevention/biology	126,133
2001	Johns Hopkins University	Fedarko	Metastasis	122,750
2001	Long Island Jewish Medical Center	Shi	Treatment/nutrition	103,844

**Appendix III: NIH Breast Cancer Research  
Awards Funded with Breast Cancer Research  
Stamp Proceeds**

<b>Fiscal year</b>	<b>Institution</b>	<b>Principal investigator</b>	<b>Research area</b>	<b>Amount</b>
2001	Massachusetts General Hospital	Haber	Tumorigenesis	\$127,500
2001	Medical Diagnostic Research Foundation	Chance	Diagnosis	92,500
2001	Mount Sinai School of Medicine of New York University	Kretzschmar	Metastasis	127,125
2001	Northwestern University	Jordan	Prevention	110,250
2001	Schepens Eye Research Institute	D'Amore	Biology/tumorigenesis	121,499
2001	Stanford University	Contag	Diagnosis/metastasis	119,597
2001	Thomas Jefferson University	Sauter	Diagnosis	82,386
2001	University of California, Irvine	Blumberg	Biology	112,800
2001	University of California, Irvine	Radany	Treatment	112,800
2001	University of California, San Francisco	Collins	Treatment	110,625
2001	University of Hawaii, Manoa	Gotay	Treatment	99,411
2001	University of Illinois	Westbrook	Metastasis	115,959
2001	University of Massachusetts, Amherst	Jerry	Biology/tumorigenesis	112,323
2001	University of Melbourne	Thompson	Metastasis	75,000
2001	University of Minnesota, Twin Cities	Sheaff	Biology/prevention	111,375
2001	University of Missouri	Sauter	Diagnosis	33,055
2001	University of Pennsylvania	Lemmon	Biology/treatment	118,875
2001	University of Pennsylvania	Radice	Metastasis	118,875
2001	University of Pittsburgh	Nichols	Biology/treatment	112,323
2001	University of Utah	Grissom	Treatment	112,500
2001	University of Vermont and State Agricultural College	Krag	Treatment	112,302
2001	Virginia Mason Research Center	Nelson	Biology/treatment	47,250
2001	Wake Forest University	Shelness	Treatment	108,375
2001	Wayne State University	Fernandez-Madrid	Diagnosis	111,750
2001	Whitehead Institute for Biomedical Research	Weinberg	Biology	116,250
2001	Yale University	Zhang	Biology/tumorigenesis	122,625
2002	Columbia University Health Sciences	Fisher	Treatment	122,799
2002	Dana-Farber Cancer Institute	Garber	Prevention	128,374
2002	Fox Chase Cancer Center	Russo	Tumorigenesis	4,300
2002	Georgetown University	Byers	Prognosis/biology	116,400
2002	Georgetown University	Dickson	Tumorigenesis	116,400
2002	Johns Hopkins University	Fedarko	Metastasis	114,274
2002	Medical Diagnostic Research Foundation	Chance	Diagnosis	103,350
2002	University of California, Irvine	Radany	Biology	112,800
2002	University of Minnesota, Twin Cities	Sheaff	Biology/prevention	111,375

**Appendix III: NIH Breast Cancer Research  
Awards Funded with Breast Cancer Research  
Stamp Proceeds**

<b>Fiscal year</b>	<b>Institution</b>	<b>Principal investigator</b>	<b>Research area</b>	<b>Amount</b>
2002	Wayne State University	Fernandez-Madrid	Diagnosis	\$ 111,750
2002	Whitehead Institute for Biomedical Research	Weinberg	Biology	116,238
<b>Total</b>				<b>\$9,442,838</b>

Source: NIH.

## Exceptional Opportunities in Breast Cancer Research

The Exceptional Opportunities in Breast Cancer Research were designed to advance breast cancer research by funding high-quality, peer-reviewed, breast cancer grant applications that are outside the current funding ability of the National Cancer Institute (NCI). In total, NCI awarded 31 Exceptional Opportunities Awards totaling nearly \$10.8 million. Each grant is for a maximum of four years. Table 16 provides information about each Exceptional Opportunities award, including the fiscal year of the award, sponsoring institution, principal investigator, research area, and amount of the award.

**Table 16: Exceptional Opportunities in Breast Cancer Research Funded with Proceeds from the Breast Cancer Research Stamp**

<b>Fiscal year</b>	<b>Institution</b>	<b>Principal investigator</b>	<b>Research area</b>	<b>Amount</b>
2003	Columbia University Health Sciences	Harlap	Prevention	\$616,010
2003	Johns Hopkins University	Ouwerkerk	Diagnosis	154,852
2003	Northwestern University	Huang	Diagnosis/biology	389,482
2003	St Vincent's Institute of Medical Research	Price	Biology/treatment	108,000
2003	University of California, Irvine	Neuhausen	Biology/prevention	545,271
2003	University of Pennsylvania	Lee	Treatment/biology	198,759
2003	University of Pittsburgh	Wiener	Diagnosis	405,009
2003	University of Texas Medical Branch Galveston	Lu	Prevention/biology	532,409
2003	University of Toronto	Vogel	Biology/treatment	81,000
2003	University of Wisconsin, Madison	Schuler	Biology/treatment	268,791
2004	Columbia University Health Sciences	Harlap	Prevention	604,299
2004	Johns Hopkins University	Ouwerkerk	Diagnosis	157,176
2004	Northwestern University	Huang	Diagnosis/biology	389,522
2004	St Vincent's Institute of Medical Research	Price	Biology/treatment	108,000
2004	University of California, Irvine	Neuhausen	Biology/prevention	545,576
2004	University of Pennsylvania	Lee	Treatment/biology	198,759
2004	University of Pittsburgh	Wiener	Diagnosis	410,688
2004	University of Texas Medical Branch Galveston	Lu	Prevention/biology	566,037
2004	University of Toronto	Vogel	Biology/treatment	81,000

**Appendix III: NIH Breast Cancer Research  
Awards Funded with Breast Cancer Research  
Stamp Proceeds**

<b>Fiscal year</b>	<b>Institution</b>	<b>Principal investigator</b>	<b>Research area</b>	<b>Amount</b>
2004	University of Wisconsin, Madison	Schuler	Biology/treatment	\$ 254,625
2005	Columbia University Health Sciences	Harlap	Prevention	600,585
2005	Northwestern University	Huang	Diagnosis/biology	401,655
2005	University of California, Irvine	Neuhausen	Biology/prevention	561,474
2005	University of Pennsylvania	Lee	Treatment/biology	198,759
2005	University of Pittsburgh	Wiener	Diagnosis	423,007
2005	University of Texas Medical Branch Galveston	Lu	Prevention/biology	550,147
2005	University of Wisconsin, Madison	Schuler	Biology/treatment	254,625
2006	University of California	Neuhausen	Biology/prevention	561,838
2006	University of Pennsylvania	Lee	Treatment/biology	194,088
2006	University of Pittsburgh	Wiener	Diagnosis	404,520
2006	University of Texas Medical Branch Galveston	Lu	Prevention/biology	\$24,291
<b>Total</b>				<b>\$10,790,254</b>

Source: NIH.

## TAILORx

In 2006, NIH began funding the Trial Assigning Individualized Options for Treatment (TAILORx) with proceeds from the Breast Cancer Research stamp. The trial is designed to determine which patients with early stage breast cancer would be more likely to benefit from chemotherapy and, therefore, reduce the use of chemotherapy in those patients who are unlikely to benefit. TAILORx seeks to incorporate a molecular profiling test (a technique that examines many genes simultaneously) into clinical decision making and, thus, spare women unnecessary treatment if chemotherapy is not likely to be of substantial benefit to them. The goal of TAILORx is to determine the most effective current approach to cancer treatment, with the fewest side effects, for women with early-stage breast cancer by using a validated diagnostic test developed by Genomic Health, Inc. in collaboration with the National Surgical Breast and Bowel Project, a network of cancer research professionals. The test is provided free to all patients that meet the eligibility requirements for the study.

In fiscal year 2006, NIH awarded \$4,500,000 to Genomic Health, Inc. to offset the costs of testing. As of the middle of May 2007, there were 1,459 patients who were preregistered and had their tumors tested. The number of patients to be tested during the trial is unknown, but NIH anticipates that it will range from approximately 6,000 to 10,000, depending on the preliminary results of the trial.

## NCI Breast Pre-Malignancy Program

The NCI Breast Pre-Malignancy Program represents a comprehensive program in breast cancer pre-malignancy research that includes the areas of prevention, etiology, biology, diagnosis, and molecular epidemiology. In fiscal year 2006, NCI awarded 6 grants under the program for a total of \$853,000 and funded research projects at NCI totaling \$371,000. The Breast Pre-Malignancy Program began in the fall of 2005 when NCI leadership recommended that stamp funds be used to address multiple aspects of breast cancer around a unifying theme—breast pre-malignancy. In addition, they recommended that the program be supported via NCI-wide programs, which support federal researchers located on the NIH campuses in Bethesda and Frederick, Maryland, and extramural research programs, which support research underway in universities, medical schools, hospitals, and research institutions across the country. This provided an opportunity to create a collaborative and integrated scientific program across NCI divisions and centers and to synergistically reach new discoveries and interventions. The NCI Breast Pre-Malignancy Program consists of six research components supporting research on pre-malignant lesions, cancer prevention techniques, and methods for detecting breast cancer or pre-cancers earlier. The program involves work on breast cancer stem cells, pathways, the microenvironment, molecular target identification (biomarkers), imaging, drug recovery, and prevention and translational research. Table 17 provides information about each Breast Pre-Malignancy award, including the fiscal year of the award, sponsoring institution, principal investigator, and amount of the award.

**Table 17: Breast Pre-Malignancy Awards**

Fiscal year	Institution	Principal investigator	Amount
2006	Baylor College of Medicine	Osborne	\$249,838
2006	Dartmouth College	Carney	101,546
2006	Group Health Cooperative	Buist	114,226
2006	Group Health Cooperative	Miglioretti	217,296
2006	NCI-Wide Program	(blank)	371,398
2006	North Carolina University	Yankaskas	90,514
2006	NSABP Foundation Inc.	Wolmark	80,000
<b>Total</b>			<b>\$1,224,818</b>

Source: NIH.

# Appendix IV: DOD Breast Cancer Research Awards Funded with Breast Cancer Research Stamp Proceeds

As of September 2007, The Department of Defense (DOD) has awarded 39 breast cancer research grants totaling about \$15.8 million using proceeds from the Breast Cancer Research stamp. From 1999 to 2006, DOD applied Breast Cancer Research stamp proceeds to its Idea Awards, which are funded under the Breast Cancer Research Program. These grants focus on innovative approaches to breast cancer research and cover research areas, such as genetics, biology, imaging, epidemiology, immunology, and therapy. In 2007, DOD started using Breast Cancer Research stamp proceeds to fund the Synergistic Idea Awards. These awards support innovative, high-risk, high-rewards breast cancer research collaborations between two independent researchers. Grant proposals must demonstrate the synergistic aspects of the collaboration. According to DOD officials, about \$608,000 of the transferred funds had been used for overhead costs related to managing the grants. Table 18 provides information about each Idea Award funded with Breast Cancer Research stamps proceeds, including the fiscal year of the award, sponsoring institution, principal investigator, research area, and the amount of the award.

**Table 18: Idea Awards for Breast Cancer Research Funded with Breast Cancer Research Stamp Proceeds**

Fiscal year	Institution	Principal investigator	Research area	Amount
1999	Garvan Institute	Daly	Cell biology	\$283,649
1999	Scripps Institute <sup>a</sup>	Deuel	Molecular biology	5,000
1999	University of California, Davis	Heyer	Molecular biology	111,444
1999	Garvan Institute	Musgrove	Cell biology	222,652
1999	University of Arkansas	Shah	Cell biology	279,000
1999	Texas A&M University	Wang	Imaging	317,510
1999	University of Texas, Southwest Medical Center	White	Molecular biology	334,094
1999	Tel Aviv University	Wreschner	Cell biology	225,000
2000	Burnham Institute	Adamson	Cell biology	578,183
2000	University of Arizona	Akporiaye	Immunology	454,500
2000	University of Toronto	Penn	Molecular biology	296,142
2001	Vanderbilt University	Cai	Epidemiology/genetics	560,144
2001	University of California, Davis	Carraway	Cell biology	427,225
2001	University of Texas, Southwest Medical Center	Chaudhary	Cell biology	312,434
2001	Purdue University	Geahlen	Cell biology	425,425
2001	St. Luke's-Roosevelt Hospital Center	Rosner	Cell biology	454,181
2002	University of South Florida	Dou	Therapy	491,999
2002	Fox Chase Cancer Center	Godwin	Genetics	504,000
2002	Yale University	Perkins	Genetics	490,500

**Appendix IV: DOD Breast Cancer Research  
Awards Funded with Breast Cancer Research  
Stamp Proceeds**

<b>Fiscal year</b>	<b>Institution</b>	<b>Principal investigator</b>	<b>Research area</b>	<b>Amount</b>
2003	Yale University	Chung	Diagnostics	\$ 490,447
2003	International Agency for Cancer Research	Kaaks	Epidemiology/genetics	367,639
2003	Lawrence Berkeley National Laboratory	Yaswen	Molecular biology	508,790
2003	University of California, San Francisco	Ziv	Epidemiology/genetics	767,171
2004	Lawrence Berkeley National Laboratory	Bissell	Cell biology	386,569
2004	Northern California Cancer Center	Clarke	Epidemiology/genetics	588,738
2004	Vanderbilt University	Giorgio	Diagnosis	453,000
2004	University of Pennsylvania	Lemmon	Therapy	475,500
2005	University of Alabama at Birmingham	Chaudhuri	Cell biology	436,500
2005	Cornell University, Weill Medical College	Huang	Pharmacology	483,600
2005	Ohio State University	Liu	Genetics	448,500
2005	Stanford University	Rao	Genetics	468,000
2006	Duke University Medical Center	Devi	Immunotherapy	155,085
2006	University of Southern California	Lee	Hormone regulation	489,000
2006	Baylor College of Medicine	Li	Hormone receptors	438,455
2006	Albany College of Pharmacy	Mousa	Chemotherapy	377,620
2006	University of Virginia	Rastinejad	Hormone receptors	454,500
<b>Total</b>				<b>\$14,562,196</b>

Source: U.S. Army Medical Research and Materiel Command, DOD.

\*This award was only partially funded by Breast Cancer Research stamp proceeds. Total funding for this award was \$404,176. The majority of the funding came from DOD's Breast Cancer Research Program.

Table 19 provides information about the Synergistic Idea Awards funded with proceeds from the stamp, including the fiscal year of the award, sponsoring institution, principal investigator, research area, and the amount of the award.

**Appendix IV: DOD Breast Cancer Research  
Awards Funded with Breast Cancer Research  
Stamp Proceeds**

**Table 19: Synergistic Idea Awards for Breast Cancer Research Funded with Breast Cancer Research Stamp Proceeds**

<b>Fiscal year</b>	<b>Institution</b>	<b>Principal investigator</b>	<b>Research area</b>	<b>Amount</b>
2007	Tufts University	Kuperwasser	Metabolism	\$817,500
2007	Massachusetts General Hospital	Kelly	Genetics/imaging	244,450 <sup>a</sup>
2007	Brown University	Gerbi	Genetics	155,550 <sup>b</sup>
<b>Total</b>				<b>\$1,217,500</b>

Source: U.S. Army Medical Research and Materiel Command, DOD.

<sup>a</sup>This award was partially funded using Breast Cancer Research stamp proceeds. The total award amount is \$687,397. The remaining amount was funded from DOD's fiscal year 2006 Breast Cancer Research Program funds.

<sup>b</sup>This award was partially funded using Breast Cancer Research stamp proceeds. The total award amount is \$787,325. The remaining amount was funded from DOD's fiscal year 2006 and fiscal year 2007 Breast Cancer Research Program funds.



# Appendix V: ACF Awards Funded with Stop Family Violence Stamp Proceeds

As of June 2007, The Administration for Children and Families (ACF) awarded approximately \$2.3 million of the proceeds from the Stop Family Violence stamp under the Demonstration of Enhanced Services to Children and Youth Who Have Been Exposed to Domestic Violence grants program. These grants support efforts to identify, design, and test approaches for providing enhanced and direct service for the children of abused parents being served in prevention programs or to develop an expanded capacity to work within community collaborations and systems responding to children exposed to domestic violence. In fiscal years 2005 and 2006, ACF awarded nine grantees approximately \$130,000 each year. In fiscal year 2007, the final year of the program, ACF awarded about \$96,000 to each grantee, to expend the balance of the Stop Family Violence stamp proceeds. Table 20 contains information about each grant funded with Stop Family Violence stamp proceeds, including the name of the grantee, the location of the organization, and total amount awarded.

**Table 20: ACF Grants Funded with Stop Family Violence Stamp Proceeds**

<b>Grantee</b>	<b>Location</b>	<b>Amount</b>
Department of Human Services	Lansing, MI	\$353,948
District of Columbia Department of Human Services	Washington, D.C.	355,648
East Bay Community Foundation	Oakland, CA	355,170
New York State Coalition Against Domestic Violence	Albany, NY	355,648
Oklahoma Coalition Against Domestic Violence and Sexual Assault	Oklahoma City, OK	355,648
Pennsylvania Coalition Against Domestic Violence	Harrisburg, PA	355,648
Virginia Sexual and Domestic Violence Action Alliance	Richmond, VA	353,760
Womenspace, Inc.	Eugene, OR	355,648
Women's Crisis and Family Outreach Center	Castle Rock, CO	355,648
<b>Total</b>		<b>\$3,196,766</b>

Source: Administration for Children and Families, HHS.

---

## GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

---

## Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site ([www.gao.gov](http://www.gao.gov)). Each weekday, GAO posts newly released reports, testimony, and correspondence on its Web site. To have GAO e-mail you a list of newly posted products every afternoon, go to [www.gao.gov](http://www.gao.gov) and select "E-mail Updates."

---

## Order by Mail or Phone

The first copy of each printed report is free. Additional copies are \$2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. Government Accountability Office  
441 G Street NW, Room LM  
Washington, DC 20548

To order by Phone: Voice: (202) 512-6000  
TDD: (202) 512-2537  
Fax: (202) 512-6061

---

## To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: [www.gao.gov/fraudnet/fraudnet.htm](http://www.gao.gov/fraudnet/fraudnet.htm)

E-mail: [fraudnet@gao.gov](mailto:fraudnet@gao.gov)

Automated answering system: (800) 424-5454 or (202) 512-7470

---

## Congressional Relations

Gloria Jarmon, Managing Director, [jarmong@gao.gov](mailto:jarmong@gao.gov), (202) 512-4400  
U.S. Government Accountability Office, 441 G Street NW, Room 7125  
Washington, DC 20548

---

## Public Affairs

Chuck Young, Manager, [youngc@gao.gov](mailto:youngc@gao.gov), (202) 512-4800  
U.S. Government Accountability Office, 441 G Street NW, Room 7149  
Washington, DC 20548