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Highlights

Highlights of [GAO-05-953](#), a report to congressional committees

Why GAO Did This Study

Congress has directed the U.S. Postal Service to issue three fund-raising stamps, also called semipostals, since 1998. These stamps are sold at a higher price than First-Class stamps, with the difference going to federal agencies for specific causes. The proceeds from the three stamps address breast cancer research, assistance to families of emergency personnel killed or permanently disabled in the terrorist attacks of September 11, and domestic violence.

The law authorizing the Breast Cancer Research stamp directed GAO to report on the fund-raising results. To provide additional information to the Congress, GAO expanded the study to include all three semipostals. GAO's study addressed (1) the amounts raised and the factors affecting sales, (2) how the designated agencies used the proceeds and reported the results, and (3) lessons learned for the Postal Service, agencies receiving the proceeds, and others.

What GAO Recommends

To enhance accountability for semipostal proceeds, GAO recommends that agencies receiving the proceeds issue annual reports to Congress on their use of the proceeds. The Postal Service generally agreed with the report's findings. The Department of Defense concurred with the recommendation. The other agencies did not comment.

www.gao.gov/cgi-bin/getrpt?GAO-05-953.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Katherine Siggerud at (202) 512-2834 or siggerudk@gao.gov.

U.S. POSTAL SERVICE

Factors Affecting Fund-Raising Stamp Sales Suggest Lessons Learned

What GAO Found

Over \$56 million has been raised through semipostal sales as of June 2005, and sales were likely affected by several key factors. Individually, proceeds totaled \$44 million for the Breast Cancer Research stamp, over \$10.5 million for the Heroes of 2001 stamp, and nearly \$2 million for the Stop Family Violence stamp. Sales patterns and levels differed greatly, with four key factors affecting sales patterns: (1) fund-raising cause, (2) support of advocacy groups, (3) stamp design, and (4) promotion by the Postal Service.

The designated federal agencies currently award or plan to award grants with the proceeds; none of the agencies has reported specifically on results. Breast Cancer Research stamp proceeds have been used to award research grants by the National Institutes of Health and the Department of Defense. No grants have yet been awarded with the proceeds from the two other semipostals. The Federal Emergency Management Agency plans to distribute Heroes of 2001 stamp proceeds through grants to families of emergency personnel killed or permanently disabled from the September 11 attacks, while the Department of Health and Human Services plans to use Stop Family Violence stamp proceeds for grants to organizations for projects aimed at enhancing services to children exposed to domestic violence.

Key lessons that have emerged from the three semipostals:

- The nature of the charitable cause can greatly affect sales patterns and other results. A disaster, for example, is more likely to have a brief but intense response, while an ongoing health issue will have a longer one.
- Early and continued involvement of advocacy groups helps sustain semipostal support.
- Stamp design, promotion, and clear understanding about how proceeds will be used can greatly affect consumers' response.
- Semipostals generate proceeds immediately, but the logistics of using the moneys raised takes much longer.
- Reporting can enhance accountability. Congress included a reporting requirement in the Semipostal Authorization Act of 2000, but these three semipostals are not subject to that requirement.

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



Source: U.S. Postal Service.