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Highlights

Highlights of [GAO-03-1021](#), a report to the Chairmen and Ranking Minority Members of the Senate Committee on Governmental Affairs, and the House Committee on Government Reform

Why GAO Did This Study

In America, breast cancer is reported as the second leading cause of cancer deaths among women. Given this statistic, the importance of finding a cure cannot be overemphasized. To supplement the billions of federal dollars being spent on breast cancer research, Congress passed legislation creating the Breast Cancer Research Semipostal (BCRS) to increase public awareness of the disease and allow the public to participate directly in raising funds for such research.

Since the BCRS was the first semipostal issued by the Postal Service, Congress mandated, and GAO issued, a report in April 2000 on the BCRS' cost, effectiveness, and appropriateness as a fund-raiser. After the report, Congress extended the BCRS sales period through 2003. As mandated, this report updates GAO's prior work as Congress considers another extension to the BCRS sales period.

What GAO Recommends

GAO recommends that the Service reexamine and, as necessary, revise its BCRS cost-recovery regulations. Also, should Congress decide to extend the BCRS sales period, GAO suggests that Congress consider establishing annual reporting requirements for the National Institutes of Health (NIH) and the Department of Defense (DOD). In commenting on a draft of this report, the Service said it would reexamine its BCRS cost-recovery regulations.

www.gao.gov/cgi-bin/getrpt?GAO-03-1021.

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

BREAST CANCER RESEARCH STAMP

Effective Fund-Raiser, but Better Reporting and Cost-Recovery Criteria Needed

What GAO Found

Although the U.S. Postal Service (the Service) has not tracked or estimated all costs associated with the BCRS program, it reported that the bulk of BCRS costs, from inception through May 16, 2003, were about \$9.5 million. In April 2000, GAO recommended that the Service issue BCRS cost-recovery regulations and make available cost data and analyses to provide postal ratepayers assurance they were not involuntarily subsidizing BCRS costs. The Service issued regulations in July 2000, but it has not yet submitted the recommended data and analyses to Congress. Service officials attributed the lack of providing Congress with this information to administrative oversight and other factors, but said they would provide Congress with this information as soon as practicable. In 2001, the Service amended its BCRS regulations stating that cost-recovery determinations would be made using baseline costs for comparable commemorative stamps. GAO, however, is concerned that the regulations can be interpreted as not requiring the Service to provide for baseline comparisons for certain BCRS costs, e.g., printing, sales, and distribution, although the Stamp Out Breast Cancer Act states that reasonable costs attributable to the BCRS in these areas should be recouped. The Service has not established baseline costs for these categories. Without these baselines, the Service lacks assurance that it is identifying and recouping excess costs from BCRS surcharge revenue.

The BCRS continues to be an effective means of raising funds for breast cancer research. Sales have fluctuated, but the BCRS has raised over \$30 million for research since it was issued in July 1998. NIH and DOD—recipients of research funds generated by the BCRS—are not subject to the same statutory reporting requirements as agencies that are to receive funds generated by semipostals issued under the Semipostal Authorization Act. Such agencies are required to submit an annual report to Congress on the amount of funds received, how the funds were used, and accomplishments.

The public and key stakeholders GAO spoke with believe it is appropriate for the Service to issue semipostals.

Breast Cancer Research Semipostal



Source: U.S. Postal Service.