



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

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Memorandum

To: Assistant Secretaries
Bureau Directors
Office Directors

From: Kristen J. Sarri *KJS*
Principal Deputy Assistant Secretary - Policy Management and Budget

Subject: Guidance for Offering and Administering Prize Challenges for Innovation

Several bureaus have interest in offering prize competitions (or challenges) under the authority of the *America COMPETES Reauthorization Act of 2010* (15 USC 3719) in order to identify and develop innovative approaches and methods to help advance their mission responsibilities. This memorandum provides guidance and policy for offering and administering prize challenges to advance innovation and stimulate technological change.

Prize challenges allow agencies to tap the Nation's collective innovative capacity to solve problems that will advance their missions. Prize challenges are an important component of the President's *Strategy for American Innovation*, and they can successfully stimulate innovation.

Attachment A provides guidance and identifies steps that bureaus should consider before offering prize challenges under the *America COMPETES Reauthorization Act*. It also satisfies the law's requirement to "develop guidelines to ensure that the judges appointed for such competitions are fairly balanced and operate in a transparent manner." Attachment B specifies the recommended contents of clearance packages for prize challenges submitted for approval.

Once the Department gains further experience in the use of prizes to advance its mission, PMB may modify the guidance. In the meantime, the Departmental Working Group on Technology Transfer will keep track of evolving best practices related to the administration and management of prize challenges, and will publish or provide links to relevant material on the Departmental web site for technology transfer.

The guidance only pertains to prizes offered or awarded under the *America COMPETES Reauthorization Act of 2010*, and not prizes offered under any other authority. It should be read in conjunction with the attached 2011 memorandum from OMB, *Prize Authority in the America COMPETES Reauthorization Act* (Attachment C).

If you have any questions, please contact Indur Goklany by phone at 202-208-4951 or by e-mail at Indur_Goklany@ios.doi.gov.

Attachments:

- A. Guidance for Prize Challenges to Stimulate Innovation.
- B. Recommended Contents of Clearance Package for Prize Challenge.
- C. 2011 memorandum from OMB, *Prize Authority in the America COMPETES Reauthorization Act*.