

EERE G 121.001

**Prize Development
and Execution
Guidance**

November 2019

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I. Purpose and Background

This guidance document describes standards for developing and conducting prizes, challenges, and competitions (hereinafter “prizes”) within the U.S. Department of Energy’s (DOE’s) Office of Energy Efficiency and Renewable Energy (EERE), under the authority provided by the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010 (COMPETES) (15 USC § 3719). As noted by the Office of Management and Budget (OMB), this prize authority is designed to expand federal agencies’ capability to conduct prizes that further their goals. This guidance document is intended to facilitate the creation and execution of prizes within EERE; it does not apply to the micro-purchase crowdsourcing prize program.

Prizes can be used as tools for advancing open government, innovation, and the EERE mission. Prizes may be appropriate for use when EERE wants to:

- 1) Highlight excellence in a particular area to motivate, inspire, or guide others;
- 2) Increase the number and diversity of individuals, organizations, and teams that are addressing a challenge of national or international significance;
- 3) Improve the skills of the participants in the prize;
- 4) Stimulate private-sector investment in a particular area;
- 5) Capture the public imagination about a particular area;
- 6) Pay only for results;
- 7) Establish an ambitious goal without having to predict which team or approach is most likely to succeed;
- 8) Expand a program’s reach to citizen solvers and entrepreneurs of diverse backgrounds, skill sets, and experience;
- 9) Bring out-of-discipline perspectives to bear;
- 10) Increase cost effectiveness to maximize the return on taxpayer dollars; or
- 11) Inspire risk-taking by offering a level playing field through credible rules and robust judging mechanisms.

EERE technology offices should structure prizes to accomplish their missions and goals. While grants and cooperative agreements are suitable for funding larger, longer-term projects, prizes are generally appropriate for addressing issues for which smaller dollar amounts can incentivize a wide range of entities to participate. Staff interested in developing a prize should visit [Challenge.gov](https://www.challenge.gov) and review current prizes, as well as the [Challenges and Prizes Toolkit](#), which can help staff conceptualize the type of prize that might be appropriate for the issue they want to address.

EERE technology offices may want to consider the following types of prizes when determining how best to accomplish their missions:

- *Exemplar prizes*, such as the Nobel Prize, define excellence within an area. Most exemplar prizes recognize past general achievement in a field, but these prizes can be designed to spur future innovation.

- *Point solution prizes* aim to spur and reward the development of solutions for a well-defined problem. An advance market commitment may be one vehicle for generating specific solutions by providing a commitment to purchase a product that does not yet exist.
- *Exposition prizes* help identify and promote a broad range of promising ideas and practices that may not otherwise attract attention, facilitating further development of the idea or practice by third parties. Successful exposition prizes can mobilize capital and institutions in support of ideas and practices developed during a prize competition.
- *Network prizes* build networks and strengthen communities by organizing winners into new problem-solving communities that can deliver more impact than individual efforts.
- *Participation prizes* create and encourage participants to work alongside each other to achieve individual goals. This type of contest is analogous to sponsoring a running race. EERE identifies a goal and provides support for individual participants and incentivizes the top performers. The value of such a contest comes from encouraging contestants to change their behavior or develop new skills that will have beneficial effects during and beyond the competition. Another benefit is that a contest like this brings together people who are trying to achieve a similar goal and creates a space where their concurrent efforts can generate innovation.
- *Market stimulation prizes* try to establish the viability of a market to address a potential market failure, mobilize additional human talent and financial capital to jumpstart the development of a new industry, or change public perceptions about what is possible.

Prizes are not appropriate in all situations. Once prize awards are transferred to the winners, the government has no control over how those funds are spent. Prizes should be structured so the desired performance occurs before funds are transferred. If it is in the government's best interest to monitor the expenditure of funds, a grant, cooperative agreement, or procurement contract may be the appropriate funding mechanism. Additionally, prizes are not an alternate means of acquisition outside the Federal Acquisitions Regulation (FAR) and the statutes it implements, such as the Competition in Contracting Act (CICA).

II. Authority

DOE relies on the COMPETES authority to use prizes. In 2017, COMPETES was modified by section 401 of the American Innovation and Competitiveness Act. This modification streamlined the prize process by, among other things, removing the requirement that prizes be published in the Federal Register and allowing for-profit entities to be prize administrators.

OMB has issued guidelines for running prizes. The 2010 OMB memorandum, "[Guidance on the Use of Challenges and Prizes to Promote Open Government](#)" (OMB Memorandum M-10-11, March 8, 2010), advises agencies on the potential uses of prizes, types of prizes, and use of various authorities to conduct prizes. It includes a discussion of some of the issues agencies must consider when conducting a prize, such as intellectual property rights and the Paperwork Reduction Act. Shortly after the passage of COMPETES, OMB issued, "[Prize Authority in the](#)

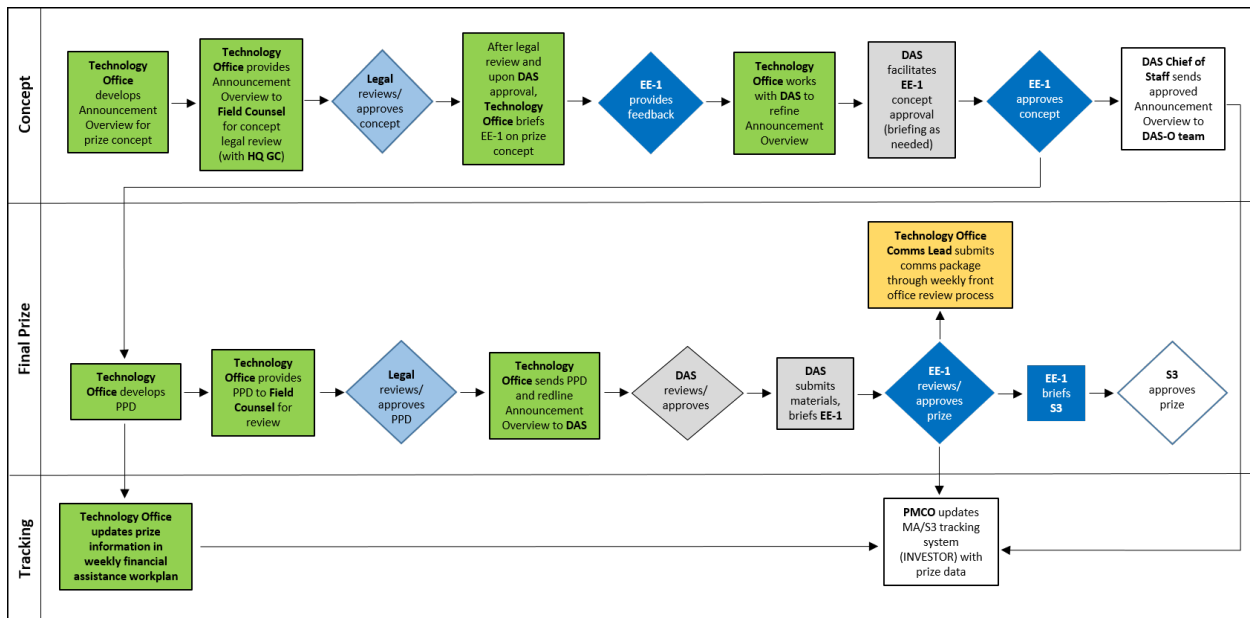
[COMPETES Reauthorization Act](#),” which provides a list of frequently asked questions and general guidance for agencies on the use of the direct prize authority of COMPETES.

Prize authority is separate and distinct from Financial Assistance under 2 CFR 200 and 2 CFR 910. It is also outside of FAR (Title 48 of the code of Federal Regulations). Competitors do not enter into a contract, grant, or cooperative agreement with the government. Neither Financial Assistance nor Federal Acquisition laws govern the administration of prizes, although both bodies of law can be used when acquiring the services of a prize administrator.

The Secretary of Energy’s authority to run prize programs under COMPETES was delegated to the Under Secretary of Energy,¹ who then re-delegated this authority to the Assistant Secretary for Energy Efficiency and Renewable Energy (EE-1).² Under this authority, EE-1 must approve individual prizes before their announcement. Section III below describes the approval process.

NOTE: Although this guidance is specific to prizes issued under the COMPETES authority, all EERE prizes, regardless of underlying authority, should adhere to this guidance and its requirements (as appropriate) for prize development, planning, rules, etc.

III. Prize Development Process



A. Concept Approval

In accordance with the delegated authority under COMPETES, all EERE prizes must be approved by EE-1 before a competition can be announced. EE-1 can delegate the authority to run the prize in accordance with this guidance to the technology office director.

¹ Delegation Order No. 00-002.00Q

² Delegation Order No. 00-002.01G

As shown in the Figure above, similar to Funding Opportunity Announcements or Lab Calls, the official prize development process begins with an [Announcement Overview](#) document that describes the prize concept. EERE prizes must align with applicable Administration, Departmental, and EERE priorities, as well as spend plan guidance.

Prior to finalizing the prize Announcement Overview document for EE-1 concept review and approval, the technology office must submit the Overview document to field legal counsel for legal review, which is conducted in coordination with HQ General Counsel (GC-33). Following legal review, the technology office should coordinate with its Deputy Assistant Secretary (DAS) on EE-1 review and approval.

B. Prize Planning Document (PPD) Development

The PPD clearly and concisely explains the intent and process of the prize. Technology offices should prepare the PPD with both senior DOE leadership and the public in mind (the PPD can serve as an executive summary to explain the prize to the public once the prize has been announced). The following eight-step process should inform the creation of the PPD:

Step 1: Identify the Problem(s)

The technology office director and staff will conceptualize a prize by identifying problems that can be addressed by incentives inherent in a prize. Discussion should flesh out the ideas and determine those with the most potential.

Step 2: Assign the Prize Team

The prize planning team is led by a prize manager, who is responsible for prize development and operation. The prize manager should be a technology office federal employee. Other team members should include technology office staff, field counsel, and EERE business office designees, such as staff from the Financial Oversight Office, Acquisition Office, and National Environmental Policy Act (NEPA) Division. The technology office director assigns the prize manager role and may assign additional team members or may delegate the prize manager to assign additional team members. The prize manager informs cognizant business office designees of the new prize concept, keeps them apprised of planning activities, and involves them as needed.

Step 3: Hold a Meeting to Initiate PPD Creation

Technology offices may conduct this process differently for each prize, but the goal of the meeting should be to develop the prize idea. Offices should consider the following during their PPD Creation meeting:

- Prize goals and objectives;
- The amount of prize funds needed to attract targeted competition participants;

- Behaviors that will help accomplish prize goals and the prize structure that will best incentivize these behaviors;
- The types of prizes that could be awarded, e.g.,:
 - One prize to one winner; stage gate prizes;³ first, second, and third prizes; etc.
 - Noncash prizes, such as technical assistance, lab vouchers, an invitation to present at an event, etc.
 - Sponsorship from outside sources;⁴
- Criteria to determine when competitor(s) have won;
- How the prize will be administered and whether a competitive process is needed;
- The administrator's role; and
- Other support that may be provided to competitors through third-party contractors, e.g., technical assistance, testing and validation, or consulting services.

Step 4: Draft the PPD

The prize manager should draft a complete summary of the envisioned prize program with all of its components. Team members will need to think through various scenarios and how each step of the program will help achieve the goal. Exact program mechanics and rules are not needed at this stage, but developing a program philosophy before the prize rules are drafted is critical. At a minimum, the PPD should include the information described in "PPD Contents," below.

Step 5: Review the PPD

After the PPD is complete, the prize manager should circulate it to the technology office director, relevant technology office staff, field counsel, and other staff as needed (Finance, NEPA, Acquisition). If appropriate, a meeting can be scheduled for the technology office to present the idea and all parties to ask and answer questions.

Step 6: Submit the PPD

The PPD must be formally submitted to field counsel (both intellectual property (IP) and general law) for review and approval. Field counsel and IP counsel will continue to provide legal advice throughout the prize development process and will coordinate and consult with HQ GC throughout the prize process as necessary.

Step 7: Draft the Prize Delegation Memo

Once the office director has approved the PPD, the prize manager should work with field counsel to draft a delegation of authority memo requesting delegation to run a

³ In stage gate prizes, prize funds are awarded for achieving the prize goal (past performance) and are without conditions. This means that the winner can spend the funds per the winner's discretion. For this reason, stage gate prizes can be useful to provide funding in stages to high performers.

⁴ 15 USC 3719(m)

prize from EE-1 to the technology office director.

Step 8: Revise the Announcement Overview Template

Once the office director has approved the PPD, the prize manager should revise the Announcement Overview, using track changes, to reflect any changes to the prize since EE-1 approved the concept.

Step 9: Obtain Approval

The PPD, the redline Announcement Overview, and the draft delegation of authority to run the prize, must be routed to EE-1 for approval.

C. PPD Contents

Goals and Background of the Prize Program

This section should provide a detailed explanation of the problem the prize program seeks to address and include an explanation of the background surrounding the issue, other attempts to solve the problem, and what a successful program or solution to the problem might look like. Additionally, this section should discuss any outreach efforts or research that has informed the office's decision to run a prize. This section also may discuss details of any request for information that will be released in advance of the prize program.

Prize Administration

Early in the development process, technology offices should decide how they will administer the prize. See Section V. Procuring a Prize Administrator for more information.

Prize Description

The prize description should refer to the prize goals, provide a detailed description of the prize structure, and outline how this structure will achieve the prize goals. The description should include the following:

- The overall goal of the prize program;
- The precise goal competitors must achieve to win;
- Criteria by which competitors will be judged;
- A timeline for prize development, announcement, performance period, judging period, and announcement of winners;
- Who will administer the prize; and
- How information about the prize will be communicated (e.g., via a website run by prize administrator).

The prize manager should consult, as needed, with the assigned field counsel (who may recommend including Acquisition, Finance, IP Counsel, and NEPA staff in the consultation) to identify any issues that would impact the competition or resulting prize. Technology office staff should also review relevant resources on Challenge.gov. The prize team should consider

whether to offer one or several grand prizes, whether to offer intermediate prizes to support competitors' efforts toward achieving the prize goal, and whether to involve other agencies and/or the private sector; the prize team should include these considerations in the prize description. Technology office staff may also contact other EERE staff who have successfully developed and executed prizes and ask field counsel for recommendations.

The prize description should include preliminary criteria by which the competitors will be judged and should state who will judge the competitors and their materials. In some cases, it may be appropriate to have outside parties validate competitors' performance or require competitors to demonstrate their progress at an in-person event.

Prize Budget

The PPD should include a detailed budget, including funds for cash prizes, cost for any additional nonmonetary incentives, and the amount of funds to be expended on a prize administrator, if any. This budget should also identify what fiscal year funds will be used and any time limits on those funds.

Note: If prize funds are to be distributed by the prize administrator, those funds are obligated to the prize administrator's contract. Any funds that are not claimed or distributed to winners should be deobligated from the contract and reapportioned.

Third-Party Involvement

COMPETES specifically allows for nongovernmental involvement in prize programs: "Support for a prize competition under this section, including financial support for the design and administration of a prize competition or funds for a cash prize, may consist of federal appropriated funds and funds provided by private-sector for-profit and nonprofit entities. The head of an agency may request and accept funds from other federal agencies, states, United States territories, local or tribal government agencies, private sector for-profit entities, and nonprofit entities, to be available to the extent provided by appropriations Acts, to support such prize competitions."⁵

This authority allows for creative and exciting cooperation and collaboration opportunities with new partners. Any outside funding should be discussed with field counsel, and if such funding is a possibility, partners should work to establish a legal agreement to allow such funding to be incorporated into any prize program.

⁵ 15 USC 3719(m)(1)

Prize Evaluation

The prize manager should determine how to measure the overall success of the prize. The information needed to assess program performance, including how it will be collected, should be integrated into the program structure from the beginning.

IV. Procuring a Prize Administrator

EERE has three options for handling prize administration:

1. Use in-house program staff to draft rules, publicize the prize, collect submissions, conduct a review, and select winners. This may be appropriate for situations where the expected number of submissions will be small.
2. Procure a prize administrator through the Golden Field Office (GFO) or National Energy Technology Laboratory (NETL) Acquisition Office (AO).
3. Authorize a national laboratory to serve as a prize administrator through the controlling Management and Operations (M&O) Contract.

Consult with field counsel on the best approach to administer a prize. Each option described above has its own advantages. Any discussions with possible vendors of prize administration services that occur before a solicitation is issued can be detrimental to the process. Before discussing the prize externally, technology office staff should talk with cognizant field counsel and procurement staff.

A. Internal Administrator – EERE Staff Option

If the technology office has sufficient staff to manage the prize and engages with the GFO/NETL for prize administration services, the technology office may conduct a prize program without the assistance of a prize administrator. Payments to winners would be made through the GFO or NETL finance office. During PPD development, the technology office should consult with GFO/NETL legal counsel and finance staff to understand the requirements to transfer prize funds to winners and if this option is an appropriate approach for the proposed prize. See Section XI for further details on making payments to winners.

B. External Administrator: Procurement of Prize Administrator through the Golden Acquisition Office Option

If the prize will involve significant burdens that are beyond the capability of a technology office's staff, the office should consider procuring prize administration support through an acquisition contract. If the office decides that a prize administrator procurement is the best option, early engagement with the Golden Acquisition Office (AO) is key to conducting a successful prize. Offices should identify potential challenges and engage with the AO immediately to determine if contract support for prize administrative services will be required. If a technology office chooses this path, it should define the activities that it would like the prospective prize administrator to perform.

Typically, the AO will procure services through a General Services Administration (GSA) Schedule. GSA has a specific schedule that offers Competition Services – the GSA SIN 541 4G, found on the [GSA website](#). Services include, but are not limited to, the following components: (1) development of challenges/contests/competitions, (2) marketing and advertising support, (3) assistance with challenge/contest/competition administration, (4) event facilitation, and (5) event judging support.

C. External Administrator: M&O Contract – Procurement of Prize Administrator through a National Laboratory contractor via an M&O Contract Option

Having a national laboratory administer a prize under an M&O contract is also an option that allows offices to take advantage of lab capabilities. To utilize this option, technology offices can task the labs to perform prize administration, as well as to provide other technical tasks through the Annual Operating Plan (AOP) process. Labs can also administer prize funds.

For labs to administer prizes, administration services must be part of a larger package that includes the utilization of a unique lab capability. If a unique lab capability is not incorporated into the prize program and a technology office seeks only prize administration services, the office should procure prize administration services through a GSA schedule contract or otherwise, as described in section II above. Examples of unique capabilities include providing unique technical expertise relevant to the prize content; offering vouchers for work at the lab as part of a prize package; matching prize participants with scientists, subject matter experts, or specific lab teams to further the technology they are trying to develop; and allowing prize participants to take advantage of unique lab facilities, such as the National Renewable Energy Laboratory's (NREL's) Energy Systems Integration Facility or National Wind Technology Site.

When using the labs for prize support, work authorizations should clearly delineate funds that will support prize administrator functions. With regard to NREL, prize funds will not be charged overhead rates as long as funds administration is included in a separate task. Prize administration or prize development at an M&O laboratory may not start until a contract modification to the M&O contract has been approved and funding has been placed on the contract by the M&O Contracting Officer.

V. Developing the Prize Rules Document

The prize rules document is the basis for any prize. The rules document should be comprehensive and contain all prize competition requirements. Additional documents, such as guidelines for supporting program participants and competitors, may be created and used as part of the prize, but the rules document is the ultimate authority, and all necessary information on how to compete and how to win must be included in it. The rules document must contain clear parameters establishing the government's invitation to compete for the prize and a clear and comprehensive description of how competitors participate or compete for

the prize. The rules document must also clearly define how competitors will receive any incentive being offered by the government or participating third party.

Developing the rules document can begin at any point after the PPD has been agreed upon by the technology office.

A. Prize Rules Document Requirements

The following elements must be included in the rules to comply with COMPETES and the EERE guidance contained herein.

1. Eligibility

The rules for eligibility must be clearly stated and, at a minimum, must include the following:

- For individuals, whether participating individually or in a group, only citizens or permanent residents of the United States are eligible to compete in COMPETES prizes.⁶
- For private entities, only those entities that are incorporated and maintain a primary place of business in the United States are eligible to compete in COMPETES prizes.⁷
- Federal employees acting within the scope of their employment are ineligible to compete for prizes.⁸ Because federal conflicts of interest may be implicated, federal employees acting in their personal capacity should consult with their ethics officials prior to applying for any EERE prizes.

Additional suggested language:

A representative of a private entity can register the entity to compete. As long as an entity is legally formed under the laws of a U.S. State or the laws of the United States, individuals working under that entity may participate regardless of immigration status.

Prize rules may further limit participation eligibility as long as the eligibility criteria are clearly articulated and do not violate other law. Prize managers should consult with field counsel about adding additional eligibility restrictions. A best practice is to also exclude current EERE contract employees, as well as lab employees or contractors that are directly involved in the administration of the prize.

2. Liability

Registered participants shall be required to agree to assume any and all risks and waive claims against the federal government and its related entities, except in the case of willful misconduct, for any injury, death, damage, or loss of property, revenue, or profits—whether direct, indirect, or consequential—arising from their participation in a prize, whether the injury, death, damage, or loss arises through negligence or otherwise.⁹

⁶ 15 U.S.C. § 3719 (g)(1)

⁷ 15 U.S.C. § 3719 (g)(3)

⁸ 15 U.S.C. § 3719 (g)(4)

⁹ 15 U.S.C. § 3719(i)(1)(B)

The rules document may not require a participant to waive claims against the administering entity arising from the unauthorized use or disclosure by the agency of the IP, trade secrets, or confidential business information of the participant.¹⁰

3. Insurance

When designing a prize, EERE must consider whether the risks posed by participating are of such a type or degree that participants should be required to obtain liability insurance prior to participation.

For every prize, EERE shall include a written determination of the amount of liability insurance required for that prize in the rules document. The determination may be that zero liability is acceptable. Technology offices should work with field counsel to make this determination.

Anytime liability insurance is required for participation in a prize, the required insurance shall cover:

*Claims by a third party for death, bodily injury, property damage, or loss resulting from an activity carried out in connection with participation in the prize, with the Federal Government named as an additional insured under the participant's insurance policy and participants agreeing to indemnify the Federal Government against third-party claims for damages arising from or related to competition activities and the Federal Government for damage or loss to Government property resulting from competition activities.*¹¹

4. Judging Criteria

The rules must contain explicit and clear criteria by which competitors will be judged. The criteria should be designed to fairly determine who best achieved the goals of the program. They should be structured to maximize the mission goals that the prize seeks to realize. The criteria should be prescriptive and clear to both competitors and judges, providing judges with sufficient granularity to enable them to determine which competitors best achieved the prize goal. In some cases, EERE may use program policy factors to influence the selection of winners.

5. Judging Process

The process by which competitors will be judged must be clearly described in the rules document. The materials, performance, or data that will be judged; how it must be submitted to the judges; and when judging will occur all must be stated explicitly in the rules document. Additionally, a document recording how judging occurred, any variances from the stated rules, and a statement that the rules and judging criteria were followed must be provided by the technology office to field counsel and the finance office or the prize administrator to initiate the disbursement of prize funds to winners.

¹⁰ 15 U.S.C. § 3719(i)(3)

¹¹ 15 U.S.C. § 3719(k)(2)

6. Judges

The rules document will prescribe how judges are identified and include the following restrictions on judges: A judge may not (1) have personal or financial interests in the competition; (2) be an employee, officer, director, or agent of any entity that is a registered participant in a competition; or (3) have a familial or financial relationship with an individual who is a registered participant. This is a statutory requirement, and no exceptions are allowed under any circumstances. If a judge is found to have a conflict, the judge must immediately be removed from judging, and any input that judge has provided previously must be disregarded. The prize manager must consult field counsel and take any measures needed to mitigate or avoid the conflict.

Judges should be considered for their ability to understand how DOE's mission relates to the goals of the prize. Judges may be selected from within or outside DOE, including from the private sector. Judging can consist of a group of judges (federal and/or non-federal) who come to a consensus on the winners of the prize. Judging can also occur by collecting comments, strengths and weaknesses, or scores from a group of judges and providing that information to one or more head judges who make a final decision. Typically the head judge is a technology office director. Winners must be selected in accordance with the delegated prize authority from the Secretary of Energy.

All judges must sign a standard prize Conflict of Interest/Nondisclosure Agreement (COI/NDA). The following statement must be included in the rules:

Judges shall not have personal or financial interests in any entity that is a registered participant in a prize; be an employee, officer, director, or agent of any entity that is a registered participant in a prize; or have a familial or financial relationship with an individual who is a registered participant.¹²

The rules must also state that judges must sign the COI/NDA before they are allowed to judge.

7. Funding

The rules document shall contain a clear description of the amount of funding available for the prize incentives, as well as any nonmonetary benefits that may be provided to competitors. It shall also clearly state the federal share of funding and any incentive funding that will be provided by non-EERE parties. If any non-EERE funding is added after the rules are published, the rules document will be modified, or technology office staff will develop an addendum to the rules document with approval of legal counsel. Incentives (funding or other items) can be provided by both EERE and entities outside EERE, including other agencies and the private sector.¹³ To establish the funding arrangement between EERE and an organization interested in financially supporting the prize, the parties should draft and enter into a legal agreement. Prize managers should consult with field counsel and the finance office for more information.

¹² 15 U.S.C. § 3719(k)(2)

¹³ 15 U.S.C. § 3719(m)

8. Intellectual Property

Prize rules must not allow the federal government to acquire an interest in IP developed by a participant in a competition without the written consent of the participant.

The federal government may negotiate a license for the use of IP developed by a participant for a prize.¹⁴

In consultation with cognizant IP legal counsel, a technology office should develop IP rules to achieve DOE's mission. A statement regarding IP developed during a competition for a prize incentive must be included in the rules document.

9. No Games of Chance

The rules may not allow for incentives to be provided based on chance. Incentives may be provided to recipients based solely on their performance. Providing incentives to participants in prizes based on chance and not the merits of their performance is gambling, which is prohibited. Gambling is governed by its own set of laws and cannot be a part of any prize program.

10. Government Contractor Restrictions

The rules must state that a contractor may not use federal funds from a contract to develop an entry for a prize. Costs associated with such activities are unallowable and are not allocable to government contracts.

The rules must state that federal grantees may not use federal funds to develop an entry for a prize, unless specifically allowed by law. If a grantee using federal funds wins a prize, the monetary value of the prize incentive must be treated as program income for the purposes of the original grant in accordance with applicable OMB circulars and 2 CFR Part 200.

11. No Government Endorsement

Prize programs shall not be used to endorse any product, service, or enterprise beyond selecting winners in the competition. No communication from the government should encourage or endorse a specific product or enterprise of any nongovernment sponsor. Partnering with an organization to administer the prize or partnering with private industry for sponsorship and appropriate recognition of these organizations is not prohibited under this section. Selecting prize winners and publicizing their efforts is not prohibited under this requirement.

12. Format of Rules Document

The rules document should be written in an outline format so that every paragraph has a reference and can easily be cited.¹⁵

¹⁴ 15 U.S.C. § 3719(j)

¹⁵ 301(b) references a recurring section in most Department of Energy appropriations bills that requires a notification to Congress before funding actions are publicly announced by the Agency.

VI. Announcement and Rules Posting Requirements

A. Approval of Final Rules Document

The final rules document must be approved by the entity with authority to release the rules based on a delegation of authority from EE-1, typically the technology office director. NEPA staff and legal counsel assigned to the technology office prize team must review and approve the rules before they are published.

The prize manager should provide a final copy of the rules to the technology office director for review and approval. Field counsel and the technology office director should both concur on a final version of the rules. Both the technology office director and field counsel must concur on any changes to the rules made after either one has given their approval.

As a best practice, the prize manager and field counsel should read aloud to each other the proposed final copy of the rules from start to finish. This exercise will improve the readability and ensure the document is ready to be presented to the public.

After review and approval of the rules document and prior to the prize announcement, the prize manager must ensure that the NEPA review is complete. The strategy for NEPA compliance will vary depending on the prize details. Coordination with the NEPA Division early in the prize development process, as discussed in previous sections, is strongly encouraged.

The technology office director should then forward the rules in accordance with the workflow process diagrammed in the beginning of Section III.

B. Prize Announcement

Prizes conducted using the direct prize authority of the COMPETES require publication of notice on a publicly accessible government website, such as [Challenge.gov](https://www.challenge.gov).¹⁶ EERE technology offices may also use EERE Exchange and/or a prize-specific website or the Federal Register to release the rules.

The notice must include:

1. The subject of the competition;
2. The rules for being eligible to participate in the competition;
3. The process for participants to register for the competition;
4. The prize dollar amount; and
5. The basis on which a winner will be selected.

No prize may be announced until the funds needed to pay out the announced amount of the cash prize have been appropriated by Congress. In the case of a partnership between EERE and

¹⁶ 15 U.S.C. § 3719(f)

a third party, funds must be committed in writing in a legally binding document.¹⁷ Note: All public announcements must adhere to all EERE communications approval requirements.

C. Notice to Congress

No prize may offer an incentive in an amount greater than \$50,000,000 unless 30 days have elapsed after written notice has been transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives.¹⁸ If the total prize purse is below \$50,000,000, no notice to Congress is required.

D. Consultation Requirement – Request for Information

COMPETES requires that when selecting topics for prizes, DOE shall consult widely both within and outside the federal government.¹⁹ A best practice to meet this requirement is issuing a public Request for Information (RFI) that provides a description of the prize and invites input before any rules are published. Holding workshops in addition to issuing an RFI is also an acceptable way to get input from stakeholders on a perspective prize program.

Please refer to [EERE G 540.111-02 RFI Approval Process](#) for process and approval requirements and indicate intent to issue RFI on the initial prize Announcement Overview document.

E. Prize Publication

The prize announcement and associated announcement documents (e.g., [Public Announcement Template](#)) must be coordinated with the technology office's communications team and EERE communications team (who will coordinate with DOE Public Affairs) and follow all EERE procedures related to public announcements. The rules document and any other associated information will be published on the Internet. Technology offices should consider utilizing a prize-specific website within Energy.gov. Technology offices also must coordinate with Challenge.gov and publish a notice of the prize on that website.

VII. Contest period

A. Rules Webinar

Schedule Note: The rules webinar is held after the rules document is published.

Shortly after the new prize is announced, the technology office should host a webinar to discuss the rules for any interested parties (**note: offices must follow EERE communications procedures in advance of hosting a webinar**). A rules webinar provides potential contestants with (1) an overview of the rules and (2) an opportunity to ask questions. The prize manager conducts a live webinar open to the public. The webinar must be recorded and posted to EERE Exchange or the website dedicated to the prize, so the general public receives the same

¹⁷ 15 U.S.C. § 3719(m)(2)

¹⁸ 15 U.S.C. § 3719(m)(4)(A)

¹⁹ 15 U.S.C. § 3719(d)d

information as those attending the webinar. A Q&A may take place during the webinar; however, the prize manager must not express opinions or ideas that are not included in the rules. Any question can be documented and answered later in writing if it is too complex or difficult to answer immediately. A link to the full webinar, including any Q&A, will be posted to EERE Exchange or another public prize website.

Field counsel shall review the rules webinar slide deck before it is finalized and presented.

The prize manager coordinates the announcement of the webinar with the technology office communications lead and EERE communications and leads the webinar.

If questions cannot be answered during the webinar, the prize manager will coordinate obtaining responses and posting questions and answers to the site where the prize program is being hosted or to another appropriate publicly facing website within three business days of the webinar (note: website postings must be coordinated with EERE communications, as appropriate).

Additional webinars are optional and conducted at the cognizant office's discretion.

B. Rules Mailbox Questions and Answers

The rules mailbox provides a public forum in which all potential contestant questions are answered. After the rules are published, the Q&A period begins. The technology office staff or prize administrator responds to questions about the competition and consults with legal counsel when necessary. If the technology office staff believes it to be prudent, the Q&A period can close up to 72 hours before the end of any competition period.

The prize manager or designated technology office staff drafts responses to administrative questions. Specific sections of the rules should be referenced, as appropriate.

- Draft responses are sent to the prize manager for approval.
- Questions concerning eligibility should be referred to field counsel and the prize manager.
- The prize manager determines when legal counsel input and concurrence is needed and when input from other team members is necessary (e.g., NEPA, IP, etc.).

The prize manager or designee posts all questions and answers on the appropriate website, regardless of the question type, so all potential contestants can see the responses.

Questions and answers cannot include Personally Identifiable Information (PII) or business- or technology-sensitive information and cannot include the name of the person or entity that asked the question. Questions may need to be redacted or edited to meet these requirements before posting the question and answer.

C. Rules Modifications

The rules modification process is used to make any changes to the rules after they are published. Modifications may be required based on technology office needs or as a result of questions submitted during the Q&A period. For example, if there are many requests to clarify a certain section or technical requirement, the prize manager may make the clarification by publishing a modification for the public to view.

If additional funds are added by third-party sources or by DOE after the prize is announced, the rules must be modified.

Any modification to the rules must be published in the in the same manner in which they were publicized initially to the public. The technology office director should decide whether the modification is significant enough to inform higher levels of EERE management.

The prize manager is responsible for making all modifications to the rules and obtaining the necessary reviews and approvals.

D. Rules Revision Process

The prize manager revises the rules document and inserts any changes in the modifications table at the beginning of the document.

The competition period may be extended to give applicants sufficient time to respond to the modification, depending on modification.

The prize manager provides the changes to legal counsel for legal review before publishing.

The prize manager must inform the individual with delegated authority to conduct the prize of rules modifications prior to publication. This individual determines if the changes to the rules document are significant enough to require a briefing to higher authorities.

The prize manager publishes the rules modification and emails any contestants or interested parties.

E. Conflicts of Interest

All persons involved in the judging process are responsible for following the steps below in the event that an actual or apparent conflict of interest is discovered:

1. In the event that a new conflict of interest arises for a judge or a judge discovers an existing conflict, the judge must immediately notify the prize manager and field counsel of the conflict.
2. The prize manager must immediately consult with field counsel regarding any actual or apparent conflicts of interest involving judges.

3. Field counsel will advise the prize manager as to the appropriate strategy to mitigate or avoid the conflict of interest. The guiding principle is to avoid even the appearance of a conflict of interest.

VIII. Documentation of Prize or Challenge Judging

Technology offices should ensure that all judging is well documented. At the end of any portion of the prize where a judging round results in the award of any prize to contestants, technology office staff shall produce a memorandum containing the following information:

- Names of the judges;
- Statement referencing the specific portion of the rules containing the criteria used;
- Time, date, and location of the judging;
- A statement that all procedures proscribed by the rules document were followed—or any deviations, if applicable;
- Any scores provided to contestants (scores that were not actually provided to the judges do not need to be recorded);
- Judging results; and
- Prizes awarded to winners, the method in which the prizes were awarded, and a comprehensive list of all competitors who received any cash or non-cash prizes.

IX. Prize Winner Selection and Payment

A. Selecting Winners

The winners should be selected and notified in accordance with the prize rules.

Once the winners have been selected in accordance with the rules, the technology office director running the prize will prepare a signed memorandum identifying the selectees. The director will brief the DAS and EE-1.

If EERE will pay winners directly, the memo must be addressed to the cognizant individual in the GFO or NETL Finance Office. The memorandum must contain the following:

- Name of the winner(s);
- The amount to be paid;
- The corresponding “line of accounting” information for the payment;
- Signature of technology office staff or EERE personnel who have the authority to approve usage of the funding;
- Authorizing language showing that memorandum with signature constitutes payment approval authority; and
- Tax identification number (TIN) associated with the winner(s). Along with the TIN, the following associated documentation is required:
 - a. Confirmation of a Data Universal Numbering System (DUNS) number, [established by creating a record in the Federal System for Award Management (SAM)—each

business must go to sam.gov where they will “Create User Account” and “Register/Update Entity”]; or

- b. Completed bank information for all winner(s) using their Social Security Number for the TIN (see attached banking form).

If the technology office is running the prize through an external prize administrator (contractor or national lab), and the prize administrator is issuing payment to the winners, the technology office director must provide a memo to the prize administrator with the following:

- Name of the winner(s);
- The amount to be paid;
- Signature of technology office director or EERE personnel who have the authority to approve usage of the funding.

Debriefs: Technology offices may debrief competitors who were not selected for a prize. Technology office staff should consult with field counsel and conduct debriefings only after establishing a policy that applies to all competitors. Such a policy should establish what information will be shared during a debriefing and who may be debriefed, at a minimum.

X. Biennial Report to Congress

DOE is required to submit a biennial report to Congress on prize activities carried out under COMPETES. The report is due biennially on March 1. To comply with this requirement, and aligned with Announcement Overview and other reporting requirements, the prize manager must ensure that prize information is included and up to date in the weekly financial assistance workplan. EERE will use the Information Management process to collect the additional information required for the report, which is described below.

The report to Congress on prize activities must include a description of the prize, expected start and end dates, and any information available that is responsive to the list below. Another notice providing all information below when the project is completed is also required.

The notice must include the following as applicable:

- Proposed goals – a description of the proposed goals of each prize.
- Preferable method – an analysis of why the utilization of the authority in subsection (b) was the preferable method of achieving the goals described in subparagraph (A) as opposed to other authorities available to the agency, such as contracts, grants, and cooperative agreements.
- Amount of cash prizes or noncash prizes – the total amount of cash or noncash prizes awarded for each competition, including a description of the amount of private funds contributed to the program, the sources of those funds, and the manner in which the amounts of cash or noncash prizes awarded and claimed were allocated among the accounts of the agency for recording as obligations and expenditures.
- Solicitations and evaluation of submissions – the methods used for the solicitation and

evaluation of submissions under each prize, together with an assessment of the effectiveness of such methods and lessons learned for future prizes.

- Resources – a description of the resources, including personnel and funding, used in the execution of each prize, together with a detailed description of the activities for which such resources were used, and an accounting of how funding for execution was allocated among the accounts of the agency for recording as obligations and expenditures.
- Results – a description of how each prize advanced the mission of the agency concerned.
- Plan – a description of crosscutting topical areas and agency-specific mission needs that may be the strongest opportunities for prize during the upcoming two fiscal years.²⁰

XI. Roles and Responsibilities

The roles and responsibilities identified in the table below provide a high-level overview of the responsibilities for each role as they relate all phases of the prize. This is only an overview and does not reflect every step required of each role. It covers only roles directly related to the development and execution of the prize. Additionally, COMPETES provides authority for an agency to employ the services of an external contractor to conduct many of the activities described below.

Roles and Responsibilities	
Technology Office Director (Director)	<ul style="list-style-type: none"> • Designates the prize manager • Reviews and approves the Notice of Intent (NOI), if applicable, or Request for Information (RFI), and the prize rules (Note: technology offices should identify their intent to issue an NOI when completing the initial Announcement Overview for the prize.) • Ensures that concepts in the PPD, drafted by the technology office, are incorporated into the prize • May review and edit public announcement • Approves the judges to be included on the judges’ panel • May act as a judge on the judge panel • Executes prize winners memorandum directing GFO or NETL Office of Finance to issue payment to winners or approves payment to winners by prize administrator contractor
Prize Manager	<ul style="list-style-type: none"> • Leads development, review, and approval of Announcement Overview document and PPD • Drafts key documents throughout the prize process, including RFI and prize rules; leads development, review, and approval of prize-related documents

²⁰ 15 U.S.C. § 3719(p)

Roles and Responsibilities	
	<ul style="list-style-type: none"> • Drafts prize-delegation memorandum package for secretarial delegation with help from field counsel • Works closely with technology office communications lead and EERE communications team to develop (and obtain approval for) public announcements (and related materials) in advance of prize publication • Oversees and manages the judging process and briefs judges on their responsibilities in accordance with prize rules • Manages prize related paperwork, including COI/NDA • Takes immediate action to manage or mitigate any conflicts of interest in accordance with guidance from field counsel • Drafts and reviews the prize winner memorandum • Creates and leads all webinars related to the prize, if any • Works with the GMS/CS, Contracting Officer, field counsel, NEPA, and IP Counsel to resolve all issues pertaining to the prize
Technology Office Staff	<ul style="list-style-type: none"> • Supports prize manager in above-listed tasks. May include: <ul style="list-style-type: none"> ○ Program manager, technical manager, technical project officer, or other technology office staff contractor or federal employee ○ Support service contractors support prize as requested by prize manager
Prize Administrator	<p>This list includes possible activities for a prize administrator and is not exhaustive</p> <ul style="list-style-type: none"> • Assists with drafting of rules and developing prize concepts • Collects and reviews submission materials • Distributes submissions to judges and collects judging feedback and scores • Disburses prize funds • Provides technical assistance to prize participants • Publicizes prize
Legal Counsel ²¹	<ul style="list-style-type: none"> • Advises on prize structure and development • Advises and educates technology office staff on appropriateness of prizes as a mechanism to achieve mission goals • Reviews and approves PPD and prize memo before it is sent for approval • Reviews and must approve prize rules before prize is announced • Reviews and approves any changes to prize rules

²¹ For purposes of this guidance, field counsel, legal counsel and IP counsel refer to the program counsel or IP counsel in GFO or NETL's Office of Chief Counsel (OCC). Field counsel, legal counsel, and IP counsel will continue to provide legal advice throughout the prize development process and will coordinate and consult with HQ GC throughout the prize process as necessary.

Roles and Responsibilities	
	<ul style="list-style-type: none"> • Reviews and advises on conflicts of interest with judges, participants, or others involved in the prize • Advises on the procurement of a prize administrator, if any • Reviews and approves selection of winners to ensure selections are in conformance with rules
IP Counsel	<ul style="list-style-type: none"> • Consults on potential IP issues • Reviews final rules to ensure compliance with applicable statutes and regulations before prize is announced. • Provides the IP terms and conditions for any financial assistance award or contract (e.g., for a prize administrator)
Technology Office Communications Lead	<ul style="list-style-type: none"> • In consultation with the prize manager, coordinates public announcement strategy with the EERE Communications point of contact • Works with the prize manager in planning, documenting, and obtaining approval for a public announcement • Writes the public announcement, in consultation with the prize manager • Updates the EERE policy calendar, as needed
EERE Communications Point of Contact	<ul style="list-style-type: none"> • Works with prize manager and technology office communications lead to facilitate all public announcement-related activities and website updates, including coordinating approvals, as needed • Serves as liaison between technology office, DOE PA, and EERE leadership on prize announcement strategy
GFO Financial Oversight Office (FOO) or NETL Finance Office	<ul style="list-style-type: none"> • Receives prize winners memorandum from office director • Issues payment to prize winners if prize administrator does not issue funding to winners
Contestants or prize participants	<ul style="list-style-type: none"> • Submits all required documents • Attends all webinars • Registers in required systems to receive prize benefits and incentives • Competes in prize
NEPA Compliance Officer	<ul style="list-style-type: none"> • Reviews rules for any NEPA compliance issues • Determines NEPA Compliance Strategy for each prize/challenge
Procurement Office	Works with prize manager to develop Statement of Work and procures services of a prize administrator (if the technology office employs the services of an external prize administrator). As prizes are separate authority from Financial Assistance (2 CFR 200, 910), those offices are typically not involved unless a prize administration contractor is employed.

Roles and Responsibilities	
Assistant Secretary for EERE (EE-1)	Approves the prize and delegates authority to conduct the competition to the director of the cognizant office
Judges	<ul style="list-style-type: none"> • Selected by the prize manager and approved by the technology office director • Evaluates the performance of prize participants against the stated judging criteria
Financial Assistance Office (GFO or NETL)	Unless a prize administrator is funded through a Financial Assistance agreement, FAO has no official role. FAO may be asked to provide required approvals to allow a technology office to use the EERE Exchange platform to collect and review applications.

XII. Records Management

A central repository of documents for any prize program should be established on a commonly accessible shared drive or on SharePoint. The following documents must be created and kept in this repository for accurate recordkeeping and required prize documentation:

1. PPD (optional);
2. Rules document – the official document is the public-facing document posted on the DOE website;
3. List of all judges;
4. Signed COI/NDAs for judges external to DOE; and
5. Documentation of competition judging.

XIII. Privacy

Prizes, like any other government activity, must comply with the Privacy Act. If PII is collected and kept in a system of records where data can be retrieved by searching for such PII, such system must be included in DOE’s Systems of Record Notice (SORN). This also applies to any information that is collected and retained by any national lab. If the prize program plans to collect such information, a Privacy Impact Assessment should be conducted. For more information, consult the cognizant field counsel.