



Adapted Privacy Impact Assessment

InnoCentive

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Contact

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One Privacy Impact Assessment (PIA) may be prepared to cover multiple websites or applications that are functionally comparable as long as agency or bureau practices are substantially similar across each website or application. However, any use of a third-party website or application that raises distinct privacy risks requires a complete PIA exclusive to the specific website or application. Department-wide PIAs must be elevated to the Office of the Chief Information Officer (OCIO) for review and approval.

SECTION 1: Specific Purpose of the Agency's Use of the Third-Party Website or Application

1.1 What is the specific purpose of the agency's use of the third-party website or application and how does that use fit with the agency's broader mission?

InnoCentive.com is a web-based platform designed to advertise and host contests (aka prize competitions) to solve problems. Proposed solutions are submitted by applicants through InnoCentive.com and InnoCentive relays submitted solutions to the Bureau of Reclamation (Reclamation). Competitions are open to the public. Public prize competitions can provide a low-cost means to develop innovative solutions to problems that are central to Reclamation's mission objectives. InnoCentive.com has significant visibility within the "solver community"¹ and is well-suited to advertise and administer these competitions enhance Reclamation's decision making capabilities.

Reclamation uses InnoCentive, through a services contract, to:

- Help design prize competitions around problems selected by Reclamation.
- Launch each prize competition on the InnoCentive Challenge Center, which is the online public crowd-sourcing platform at InnoCentive.com to conduct prize competitions.
- Administer each prize competition, which includes collecting the proposed solutions submitted by the public to the InnoCentive Challenge Center, and then forwarding those solutions to Reclamation to evaluate and determine the winning submission(s).

The InnoCentive prize competition services are obtained through the General Services Schedule (GSA) of approved Challenge and Competition Services Contractors (see GSA Schedule GS-07F-0772X).

1.2 Is the agency's use of the third-party website or application consistent with all applicable laws, regulations, and policies? What are the legal authorities that authorize the use of the third-party website or application?

The Prize Competition authorities in the America COMPETES Reauthorization Act of 2010 (15 U.S.C. § 3719) authorizes the federal agencies to ...*carry out a program*

¹

The "solver community" is InnoCentive's term for describing the group of eligible individuals and small companies willing to take on challenges such as this offering, and who are likely to frequent InnoCentive.com in search of such opportunities.



to award prizes competitively to stimulate innovation that has the potential to advance the mission of the respective agency". Key passages of the law relative to question 1.2 include:

15 USC 3719(l) Administering the Competition

[The head of an agency may enter into an agreement with a private, nonprofit entity to administer a prize competition, subject to the provisions of this section.]

15 USC 3719(n) General Service 1 Administration Assistance

[Not later than 180 days after January 4, 2011, the General Services Administration shall provide government wide services to share best practices and assist agencies in developing guidelines for issuing prize competitions. The General Services Administration shall develop a contract vehicle to provide agencies access to relevant products and services, including technical assistance in structuring and conducting prize competitions to take maximum benefit of the marketplace as they identify and pursue prize competitions to further the policy objectives of the Federal Government.]

GSA developed and implemented a General Schedule of qualified Challenge and Competition Services Contractors (see GSA Schedule GS-07F-0772X). Reclamation procured the InnoCentive services contract through this GSA Schedule.

GSA developed and implemented Challenge.gov as the Federal Government's online prize competition crowd-sourcing platform, which allows prize competitions to be redirected to third-party prize competition platforms for the conduct and administration of posted prize competitions. All Federal agencies publish their prize competitions on Challenge.gov.

15 USC 3719(o)

[Compliance with existing law (1) In general The Federal Government shall not, by virtue of offering or providing a prize under this section, be responsible for compliance by registered participants in a prize competition with Federal law, including licensing, export control, and nonproliferation laws, and related regulations.]

Other related authorities, policies and guidance include:

- a. The Presidential Memorandum on Transparency and Open Government, January 21, 2009;
- b. OMB m-10-06, Open Government Directive, December 8, 2009;
- c. OMB m-20-23, Guidance for Agency Use of Third-Party Websites and Applications, June 25, 2010;
- d. Guidance on the Use of Challenges and Prizes to Promote Open Government, OMB, March 8, 2010;
- e. Social Media, Web-Based Interactive Technologies, and the Paperwork Reduction Act, OMB, April 7, 2010;
- f. Frequently Asked Questions Related to Challenges and Prizes:
<https://www.whitehouse.gov/sites/default/files/omb/assets/inforeg/challenge-and-prizes-faqs.pdf>;
- g. The Clinger-Cohen Act of 1996, 40 U.S.C. 1401;
- h. OMB Circular A-130;
- i. 210 Departmental Manual 18;
- j. 110 Departmental Manual 5.



Reclamation will comply with all applicable laws, regulations, and policies, including but not limited to: the Privacy Act of 1974, as amended; and Section 508 of the Rehabilitation Act of 1973 (codified at 29 U.S.C. § 794d).

SECTION 2: Any Personal Identifiable Information (PII) that is Likely to Become Available to the Agency Through the Use of the Third-Party Website or Application

2.1 What PII will be made available to the agency?

To register to compete in a prize competition hosted on the InnoCentive Challenge Center only requires applicants to provide their e-mail address and establish a user name and password. The terms of the Challenge Specific Agreement to enter each competition explicitly states that submitted proposals should not include any personal identifying information or any information the solvers do not want to make public, and that Reclamation is under no obligation to withhold any PII that is submitted from public disclosure, and that it may be made publicly available at any time.

Only the solvers that submit winning solutions will be required to submit PII in order to receive the prize payment award. This will be done in two steps.

Step1: InnoCentive will notify the winning solvers and request that they provide their name, mailing address, e-mail address, and phone number to InnoCentive. This information is forwarded to Reclamation by phone or e-mail so that Reclamation can contact winning solvers and arrange for issuing prize award payments.

InnoCentive's Privacy Policy governs the use of PII collected by InnoCentive which can be viewed at <http://www.innocentive.com/privacy.php>.

Step 2: Reclamation's authorized Prize Competition sponsoring office (i.e. Research and Development Office) will complete SF-1034 authorizing the payment amount to each specific winner and submit the completed SF-1034 to Reclamation's Finance and Accounting Division. Authorized staff in Reclamation's Finance and Accounting Division will then contact the prize winner and collect the necessary PII (social security number, bank account information, etc.) that Reclamation will need to issue prize award payments and report payments to the Internal Revenue Service (IRS). Reclamation's Finance and Accounting Division will use the Financial and Business Management System (FBMS) Vendor Request Form to collect the PII either over the phone or by secured FAX to complete the payment process via an electronic fund transfer to the winner.

2.2 What are the sources of the PII?

See response to 2.1.

2.3 Will the PII be collected and maintained by the agency?

Reclamation receives only the contact information of winning individual(s) to arrange for issuing payments through FBMS and the collected PII will be maintained in accordance



with the Department of Interior (DOI) Systems of Records Notice, Acquisition of Goods and Services: FMBS – Interior, DOI-87, (DOI-87).

2.4 Do the agency’s activities trigger the Paperwork Reduction Act (PRA) and, if so, how will the agency comply with the statute?

No. OMB Memorandum, “Social Media, Web-Based Interactive Technologies, and the Paperwork Reduction Act”, April 7, 2010 states, “contests that permit respondents to create their own submissions are not covered by the PRA if no additional information is collected for the contest beyond what is necessary to contact the entrants.” Reclamation is not collecting any information beyond what is necessary to contact winning individuals or entities to arrange for issuing prize payments. Therefore, this collection is not subject to PRA requirements.

SECTION 3: The Agency’s Intended or Expected Use of the PII

3.1 Generally, how will the agency use the PII described in Section 2.0?

Reclamation will only use the PII to contact winner(s) of the challenge, arrange payment and development of their proposed solutions. See response to 2.1, 2.3, 2.4.

In addition, if winning solvers agree to use their names, affiliations, pictures, videos and other related PII in communicating prize competition winning results to the public, such PII would also be used for publicity purposes as well.

3.2 Provide specific examples of the types of uses to which PII may be subject.

If solver X submits a solution which is selected by Reclamation for a prize, InnoCentive will furnish Reclamation the PII to contact the winner and arrange payment. In some instances, Reclamation may wish to promote the solutions and publically announce and recognize the winner. In accordance with the terms of the prize competition rules and agreement, Reclamation and its licensees, successors and assigns have the right to use any and all Proposed Solutions, and the names, likenesses, voices and images of all persons appearing in the Proposed Solution, for future advertising, promotion and publicity in any manner and in any medium now known or hereafter devised throughout the world in perpetuity.

SECTION 4: Sharing or Disclosure of PII

4.1 With what entities or persons inside or outside the agency will the PII be shared, and for what purpose will the PII be disclosed?

To issue prize payment awards, PII will be disclosed to the Prize Competition Program Manager(s) working for Reclamation’s Research and Development Office and to the necessary authorized individuals in Reclamation’s Finance and Accounting Division. Prize payment PII will also be submitted to the IRS for income tax reporting purposes.



PII for the purposes of public communication and publicity purposes will be shared with Federal Public Affairs Offices, to the extent necessary and permissible.

However, there may be unusual circumstances where there is evidence of criminal activity, a threat to the government, a threat to the public, or an employee violation of DOI policy. This information may include name, user name, or other personal information provided by the user, and may be used to notify the appropriate agency officials or law enforcement organizations.

4.2 What safeguards will be in place to prevent uses beyond those authorized under law and described in this PIA?

PII will only be transmitted through approved channels such as encrypted or secured websites, e-mail, fax, or phone.

The Federal Register Notice for each prize competition and the 3-way agreement between Reclamation, InnoCentive, and the solvers are reviewed and approved by the Department of the Interior Office of the Solicitor and by Reclamation's Privacy Act Officer.

Safeguards include:

A. The Federal Register Notice includes the following Public Disclosure Statement:

PUBLIC DISCLOSURE: InnoCentive, Inc. is administering this challenge under a challenge support services contract with the Bureau of Reclamation (Seeker). Participation is conditioned on providing the data required on InnoCentive's online registration form. Personal data will be processed in accordance with InnoCentive's Privacy Policy which can be located at <http://www.innocentive.com/privacy.php>. Before including your address, phone number, e-mail address, or other personal identifying information in your proposal, you should be aware that the Seeker is under no obligation to withhold such information from public disclosure, and it may be made publicly available at any time. Neither InnoCentive nor the Seeker is responsible for human error, theft, destruction, or damage to proposed solutions, or other factors beyond its reasonable control. Solver assumes any and all risks and waives any and all claims against the Seeker 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 participation in this competition, whether the injury, death, damage, or loss arises through negligence or otherwise.

In addition, The Federal Register Notice clearly informs applicants that the Challenge.gov website will re-direct the solver community to the InnoCentive Challenge Center as the administrator for the competition in order to register and compete in the competition. The Challenge.gov website also informs solvers that they may be redirected to third party websites to administer prize competitions on behalf of Federal agencies.

B. The terms of the agreement with solvers to enter each competition also incorporate privacy statements that inform applicants that:



- Their submitted proposals should not include any PII or any information the solvers do not want to make public, and that Reclamation is under no obligation to withhold any PII that is submitted from public disclosure, and that it may be made publicly available at any time.
- Personal data will be processed in accordance with InnoCentive's Privacy Policy which can be located at <http://www.innocentive.com/privacy.php>. Before including your address, phone number, e-mail address, or other personal identifying information in your proposal, you should be aware that Reclamation is under no obligation to withhold such information from public disclosure, and it may be made publicly available at any time. Solvers should direct any request to access, update, or correct information to InnoCentive.
- Neither InnoCentive or Reclamation is responsible for human error, theft, destruction, or damage to Proposed Solutions, or other factors beyond its reasonable control. Solver assumes any and all risks and waives any and all claims against the Seeker 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 participation in this competition, whether the injury, death, damage, or loss arises through negligence or otherwise.
- Solvers should not register with multiple e-mail and/or street addresses.
- If Reclamation accepts your Proposed Solution as a winning solution, the prize payment amount will be paid directly to the winner(s) by Reclamation via electronic funds transfer. Payments may be subject to Federal and state income taxes. Reclamation will comply with IRS withholding and reporting requirements, where applicable. This normally consists of issuing an IRS Form 1099 to the Award winner(s). If winners are already registered in the System for Award Management (SAM) at <https://www.sam.gov>, Reclamation will access their PII that is necessary to issue a payment via an electronic fund transfer to their bank account through SAM. If winners are not registered in SAM, Reclamation will contact them to arrange for the collection of their PII that is necessary to issue prize payments via an electronic fund transfer. The collection and maintenance of such PII will comply with Privacy Act requirements in order to protect the PII and prevent unauthorized uses.

C. **Applicable System of Record Notices:** DOI-87, may be viewed at http://www.doi.gov/ocio/information_assurance/privacy/doi-notices.cfm

SECTION 5: Maintenance and Retention of PII

5.1 How will the agency maintain the PII, and for how long?

Winners of the challenge information will be maintained in accordance with DOI-87. This system is generally retained and disposed of in accordance with the General Records



Schedule No. 3; however a new records schedule for FBMS is in process in the Office of the Secretary.

Generally, PII received by Reclamation will only be retained by Reclamation so long as is necessary to ensure that winning payments have been processed and required IRS reporting has been completed.

An exception may involve retention and use of the winner's name or other PII approved by the winners for communication and publicity purposes. Should a subsequent relationship between Reclamation and the challenge winners for further development of their idea, rules and procedures related to the specific collaborating agreement will take over at that time. Absent that relationship developing, all other PII will be discarded in accordance with the provisions included in DOI-87.

5.2 Was the retention period established to minimize privacy risk?

Yes

SECTION 6: How the Agency will Secure PII

6.1 Will privacy and security officials coordinate to develop methods of securing PII?

Yes.

6.2 How will the agency secure PII? Describe how the agency will limit access to PII, and what security controls are in place to protect the PII.

- The PII of prize competition winners will only be shared with those individuals that are necessary to verify and make payments to the winners.
- The PII will be filed in secured locations and systems only accessible by those authorized to have such access as part of their official duties.

SECTION 7: Identification and Mitigation of Other Privacy Risks

7.1 What other privacy risks exist, and how will the agency mitigate those risks?

No other privacy risks exists other than those already described.

7.2 Does the agency provide appropriate notice to individuals informing them of privacy risks associated with the use of the third-party website or application?

DOI's Privacy Policy which informs the public on how DOI handles PII that becomes available through interaction on the DOI official website. The Privacy Policy also informs the public that DOI has no control over access restrictions or privacy procedures on third-party websites, and that individuals are subject to third-party website privacy and security policies. DOI's linking policy informs the public that they are subject to third-party privacy policies when they leave a DOI official website to link to third-party social



media web sites. The complete DOI Privacy Policy for information handling practices which may be viewed at: <http://www.doi.gov/privacy.cfm>.

In addition, all Reclamation's prize competition postings on InnoCentive provide a privacy statement on the main page and both the InnoCentive and Challenge.gov websites provide a link back to the Bureau of Reclamation. The Bureau of Reclamation website includes a link to the complete DOI Privacy Policy.

SECTION 8: Creation or Modification of a System of Records

8.1 Will the agency's activities create or modify a "system of records" under the Privacy Act of 1974?

No.

8.2 Provide the name and identifier for the Privacy Act system of records.

DOI-87, may be viewed at
http://www.doi.gov/ocio/information_assurance/privacy/doi-notices.cfm.