



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

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MEMORANDUM FOR THE CHIEF FINANCIAL OFFICERS OF DEPARTMENTS AGENCIES

FROM: Danny Werfel  
Controller

SUBJECT: 2012 SAVE Award

The Administration is strongly committed to identifying new and innovative ways to cut waste, make government more efficient, and save taxpayer dollars through initiatives such as the Campaign to Cut Waste. Ideas for how to do this can come from a variety of sources. One of the best sources is the dedicated civil servants who see first-hand the way government works and can identify methods to improve its operations and management.

That is why the President established the SAVE Award (Securing Americans Value and Efficiency Award) in 2009, to seek ideas from Federal employees to make government more effective and efficient and ensure taxpayer dollars are spent wisely. In the past three years, Federal employees have submitted tens of thousands of cost-cutting ideas through our annual call for new SAVE Award candidates, and the President has met with the winning entrants to discuss their ideas. Agencies have implemented several of these ideas, and we have highlighted them in the President's Budget, in our "Cuts, Consolidations and Savings" volume.

This year, OMB will again solicit ideas from Federal employees for the President's SAVE Award. This memorandum provides initial guidance to agencies on the review of SAVE Award submissions.

**Review of SAVE Award Submissions**

Within the next two months, OMB will provide each agency with a list of 2012 SAVE Award candidates submitted online that relate to programs within the agency. This list will maintain the anonymous nature of the SAVE Award process. Similar to last year, OMB will provide this list through the MAX Community site, and agencies will be asked to review and rank the submissions.

Submissions should be judged according to the following criteria:

- Does the idea reduce costs over time in a way that is concrete and quantifiable?
- Does the idea improve the way that government operates by:
  - Achieving cost reductions while improving or maintaining quality of output; or
  - Simplifying processes to reduce administrative burden; or
  - Improving the speed of government operations to improve efficiency?

- Can the idea be implemented administratively by the Executive Branch without an act of Congress?

To avoid repeating ideas, to the degree practical, agencies are encouraged to review recommended SAVE award submissions from prior years to determine whether analysis has already been done about the validity and merits of a particular idea.

The MAX Community site will include a MAX SAVE Award Rating tool for agencies to review and rate SAVE submissions. Using this tool, agencies should rate each submission with one, two, or three stars, with one star meaning 'don't consider' and three stars meaning 'good proposal.' The following guidelines should be used to determine whether an idea is marked with one, two, or three stars:

- One star - Submissions that agencies deem not to be viable should receive a "one star" rating. This category should include submissions that are not appropriate for further review, either because they reflect a misunderstanding of the relevant Federal program or because they are not fundamentally reasonable. Examples of ideas that should be rated with one star include:
  - Submissions for which the recommendation is not clear;
  - Ideas that are clearly not practicable;
  - Ideas that do not meet any of the SAVE Award assessment criteria noted in this memorandum;
  - Ideas that are already in practice at the agency or in the process of being implemented;
  - Ideas that are too general to be implemented; and
  - Complaints that are malicious or otherwise motivated by factors other than efficiency and savings.
- Two stars - This rating should be used to mark submissions that are not immediately dismissible but also are not particularly noteworthy. As a rule-of-thumb, ideas that meet between one and three of the SAVE Award assessment criteria should be marked with two stars, unless the reviewer has a particular reason to upgrade or downgrade them.
- Three stars - Submissions should be rated with three stars if they seem to be compelling and are in line with all or most of the SAVE Award assessment criteria. Reviewers should err on the side of inclusion of an idea in this category if the idea seems interesting or practicable but meets a lesser number of the criteria.

In addition to reviewing and rating each SAVE Award submission, CFOs should pay particular attention to those submissions that their agency ranks most favorably. The MAX Community site will include a check-box to indicate that the "Idea is Recommended" by the agency. Agencies should provide this designation to the best candidates for consideration of the SAVE Award. This designation should be limited to between five and ten ideas per agency, depending on the size of the agency and the number of submissions. Before an agency indicates that a particular idea is recommended by checking this box, the CFO must confirm with internal agency programmatic,

operations, communications and other stakeholders, as well as agency leadership, that all parties are comfortable with moving forward with the idea should it ultimately be selected as a finalist for the SAVE Award. This step of thoroughly vetting the small group of top ranked ideas is a critical piece of the SAVE Award review process.

These ratings and recommendations will serve as the starting point for a deliberative process to determine which submissions may be considered as finalists for the SAVE Award. Following submission of agency ratings of SAVE Award candidates, OMB staff will review the submissions and engage further with agencies as appropriate.

### **Next Steps**

As was done last year, OMB will issue a Budget Data Request (BDR) in July, prior to the agency review process. This BDR will include further information regarding the timeline of activities for the 2012 SAVE Award, details on how to use the MAX Community site to review and rate SAVE Award submissions, additional background on rating criteria, and other pertinent information.

For questions regarding the 2012 SAVE Award process, please contact Moira Mack, OMB Deputy Associate Director for Communications ([MMack@omb.eop.gov](mailto:MMack@omb.eop.gov)). For technical questions on accessing or using the MAX Community site, please contact MAX support ([maxsupport@omb.eop.gov](mailto:maxsupport@omb.eop.gov), 202-395-6860).