

GAO Highlights

Highlights of [GAO-18-325](#), a report to the Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VA manages a \$1.9 billion research program that has produced numerous healthcare inventions, such as the pacemaker. In 2000, VA created a program to help transfer VA inventions to the private sector so that they can be commercialized and used by veterans and the public, while VA retains ownership and collects royalties. Many of VA's 3,000 researchers also hold positions at universities, which take the lead in commercializing inventions developed by these researchers. Researchers and universities are required to disclose such inventions to VA, and universities are to report on commercialization activities according to their agreements with VA.

GAO was asked to examine VA's ability to ensure its ownership of inventions made with VA resources. This report examines, among other things, the extent to which VA has taken steps to ensure that (1) researchers disclose inventions and (2) universities report on commercialization activities for joint inventions. GAO reviewed laws; policies; a nongeneralizable sample of university agreements based on backlogs of disclosures, among other factors; and interviews with officials and researchers from VA medical centers and their affiliated universities.

What GAO Recommends

GAO recommends that VA (1) make training about invention disclosure mandatory and (2) provide universities with a standardized method for annual reporting. VA concurred with GAO's recommendations.

View [GAO-18-325](#). For more information, contact John Neumann at (202) 512-3841 or neumannj@gao.gov

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VETERANS AFFAIRS RESEARCH

Actions Needed to Help Better Identify Agency Inventions

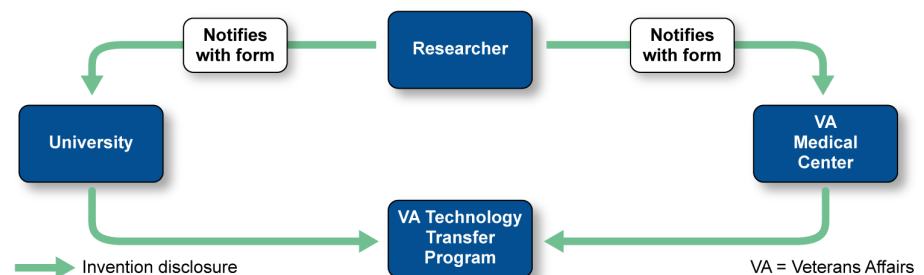
What GAO Found

The Department of Veterans Affairs (VA) has taken steps to educate agency researchers about its requirements to disclose inventions to VA, but officials reported that researchers have not consistently done so. VA policy requires researchers to disclose inventions to both VA and the university they work for even when they do not use VA resources. GAO found, through discussions with VA officials and researchers, that several factors contribute to researchers not consistently disclosing their inventions, including that VA researchers may have:

- disclosed inventions to their university, assuming the university would then disclose them to VA;
- not been familiar with VA's invention disclosure process, because they may not have frequently developed inventions; or
- thought that invention disclosure was unnecessary when they did not use VA resources to develop their invention.

In 2017, VA staff visited universities and VA medical centers 26 times to meet with researchers about invention disclosure. Also, VA created an online training course to educate researchers on the need to disclose inventions, but the training is not mandatory, and about 4 percent of researchers took it. Without mandatory training to communicate invention disclosure requirements—consistent with federal internal control standards for internally communicating quality information—VA researchers may not be fully informed about those requirements, which can result in lost technology transfer opportunities and royalties for VA.

Path of Invention Disclosures at the Department of Veterans Affairs (VA)



Source: GAO analysis of VA data. | GAO-18-325

VA has improved communication with universities but has not ensured that they are consistently reporting information on commercialization activities for joint inventions. VA reported that about three-quarters of VA's 79 university partners did not submit the annual reports required by VA in 2017. GAO reviewed a nongeneralizable sample of agreements VA has with universities and found that reporting requirements about timing and content of reports were unclear. Without providing a standardized method that clearly guides universities in fulfilling VA's reporting requirements, consistent with federal standards for internal control, VA cannot ensure that it has adequate information to account for its licenses and royalties.