

Why GAO Did This Study

DOD plans to spend at least \$31 billion on information technology products and services in fiscal year 2014, including software licenses. Further, DOD engages in hundreds of licensing agreements annually. Effective management of software licenses can help organizations avoid purchasing too many licenses that result in unused software and/or too few licenses that result in noncompliance with license terms, which can lead to additional fees.

To help DOD effectively manage its software licenses, section 937 of the National Defense Authorization Act for Fiscal Year 2013 mandated that the department issue a plan for developing a DOD-wide inventory of selected software licenses. The accompanying Senate report mandated that GAO review the plan. In response to the Act, DOD issued the plan in July 2013.

GAO's objective was to determine whether DOD's software license inventory plan met four requirements that were specified in the act. To do so, GAO collected and analyzed key supporting materials, such as DOD's software license spend analysis, data collection instrument, and guidance provided to DOD components. GAO also interviewed officials with knowledge of the plan.

What GAO Recommends

GAO is not making recommendations. In commenting on a draft of this report, the department concurred with GAO's findings.

View [GAO-14-625](#). For more information, contact Carol R. Cha at (202) 512-4456 or ChaC@gao.gov.

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SOFTWARE LICENSES

DOD's Plan to Collect Inventory Data Meets Statutory Requirements

What GAO Found

The Department of Defense's (DOD) plan satisfied all four statutory requirements (see table). For example, for the first requirement, the plan contained detailed information on the scope of the inventory, including a list of over 900 software titles from publishers including Adobe, Microsoft, Oracle, and IBM; as well as a summary of the licenses not selected for inventory, such as classified software and contractor-owned software.

For the second and third requirements, the plan's software licensing data collection instrument contained key data fields necessary for the Office of the Chief Information Officer (CIO) to compare purchased licenses with installed licenses and assess the department's needs over fiscal years 2014 and 2015. While data on license count are required, data on costs are to be entered only if readily available. Office of the CIO officials told us they expect the cost data they receive will be limited, but also stated that they are investigating how these data can be stored in a more centralized and automated fashion.

Finally, for the fourth requirement, the plan outlined key analyses the DOD CIO and component CIOs expect to undertake once the department-wide inventory is complete, including assessments of license use and alternative licensing options. Among other things, these analyses could lead to savings through procuring volume discounts and/or moving toward enterprise-wide solutions; as well as disposing of excessive licenses.

Assessment of DOD's Plan for Developing an Inventory of Selected Software Licenses

Requirement	Addressed
Identify and explain the software licenses selected, and provide a summary of the software licenses not selected.	•
Provide a comparison of purchased licenses with installed licenses.	•
Describe how the department will assess its needs for selected software licenses over the 2 fiscal years following plan issuance.	•
Describe how the department can achieve the greatest economies of scale and cost savings in the procurement, use, and optimization of selected software licenses.	•

Source: GAO analysis of DOD data. | GAO-14-625

Key: •=Addressed—DOD's plan provided evidence that addressed the requirement.

While the plan is sound, the implementation of the plan (currently under way) will be the most challenging part of this effort. The DOD CIO's ability to effectively carry out its planned cost savings analyses will largely depend on the completeness and accuracy of the information provided by the components.