

GAO Highlights

Highlights of [GAO-25-108475](#), a testimony before the Subcommittee on Technology Modernization, Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VA depends on critical underlying IT systems to manage benefits and provide care to millions of veterans and their families. VA obligated about \$21 billion in fiscal years 2022 through 2024 for a range of IT products, systems, and services.

In 2015, GAO identified the management of software licenses as a focus area in its [High-Risk report](#). GAO has also previously reported on the need for federal agencies—including VA—to ensure better management of software licenses.

GAO was asked to testify on VA's software licensing practices. GAO summarized its government-wide [January 2024](#) and [November 2024](#) reports specific to VA's efforts to track software license usage and manage restrictive licensing practices. GAO also compiled information from its past reports on leading software license management practices and summarized VA's actions in response to recommendations made in those reports.

What GAO Recommends

GAO made four recommendations in its two recent 2024 reports for VA to improve its management of software licenses and mitigate the effects of restrictive software licensing practices. Although VA concurred with the recommendations, it has not yet implemented them. Implementation of the recommendations is essential to minimizing costs and mitigating restrictive licensing impacts.

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VETERANS AFFAIRS

Actions Needed to Address Software License Challenges

What GAO Found

The Department of Veterans Affairs (VA) spends billions of dollars annually for IT and cyber-related investments, including commercial software licenses. In a January 2024 government-wide report, GAO noted that while VA identified its five most widely used software vendors with the highest quantity of licenses installed, VA faced challenges in determining whether it was purchasing too many or too few of these software licenses. Specifically, VA was not tracking the appropriate number of licenses for each item of software currently in use. Additionally, the department did not compare inventories of software licenses that were currently in use to purchase records on a regular basis (see table).

GAO January 2024 Report Assessing the Department of Veterans Affairs' Management of Widely Used Software Licenses

Key Activity	Assessment
Track software licenses that are currently in use	Not met
Regularly compare the inventories of software licenses that are currently in use to purchase records	Not met

Source: GAO analysis of agency data. | GAO-25-108475

Until VA adequately assesses the appropriate number of licenses, it cannot determine whether it is purchasing too many licenses or too few. GAO recommended that VA track licenses in use within its inventories and compare them with purchase records. VA concurred with the recommendations and is taking preliminary actions to track software license usage. Implementation of these recommendations would allow VA to identify opportunities to reduce costs on duplicate or unnecessary licenses.

In a November 2024 government-wide report, GAO found that restrictive software licensing practices adversely impacted federal agencies' cloud computing efforts, including those of VA. These practices either increased costs of cloud software or services or limited VA's options when selecting cloud service providers. VA had not established guidance for effectively managing impacts from restrictive practices for cloud computing or determined who is responsible for managing these impacts.

Until VA establishes guidance and assigns responsibility for mitigating the impacts of restrictive software licensing practices, it will likely miss opportunities to avoid or minimize these impacts. GAO made two recommendations to VA to mitigate the impacts of restrictive software licensing practices. VA concurred with the recommendations and stated that it would provide the actions it plans to take to address both recommendations in its update to the final report.