

VA Should Systematically Identify and Address Challenges in Its Efforts to Lease Space from Academic Affiliates

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A report to the Ranking Member, Committee on Veterans' Affairs, U.S. Senate

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What GAO Found

The Department of Veterans Affairs (VA) leases space from various external parties, including academic affiliates—medical schools and health education programs with an established relationship with VA. According to VA, its local officials leverage these relationships to identify leasing opportunities. In a 2022 law, VA received the authority to noncompetitively award (sole source) a lease to an academic affiliate if certain conditions are met. VA officials said that when sole sourcing a lease, they must still ensure VA receives a fair and reasonable rate. As of June 2025, VA had signed five leases using this authority, according to VA officials.

VA officials and academic affiliate representatives GAO interviewed identified benefits and challenges of entering into leases together, including sole source leases. Benefits they identified included (1) increased collaboration to enhance research; (2) improved veterans' access to care and more modern facilities; and (3) for sole source leases, potentially quicker access to space. However, VA officials and academic affiliates also identified challenges specific to sole source leases, including (1) issues with VA's communication about the status of these leases; and (2) difficulties determining how to apply VA's standard processes when pursuing a more unique project. Interviewees also identified general challenges regardless of lease type, such as limited space availability and the time it takes to obtain VA funding for a project.

Examples of Research Space Leased by the Department of Veterans Affairs



Source: University of California, Davis. | GAO-26-107821

VA has taken actions to support implementation of its sole source leasing authority, such as providing training and guidance to VA staff. But VA has not developed and implemented a lessons-learned process to systematically identify and address any challenges. GAO previously reported that a lessons-learned process can be particularly important when an agency is implementing a new approach, and it is helpful to collect lessons learned during implementation rather than waiting until the end. VA officials said they informally review some leases to identify lessons, and they plan to implement a lessons-learned process after 10 sole source leases have been signed. However, it is unclear whether the plan as described aligns with key practices, such as validating lessons with academic affiliates. In addition, waiting until 10 leases have been signed before identifying lessons learned risks compounding existing challenges that VA and academic affiliates have already identified. This includes challenges that have led to confusion or delays for projects that improve veterans' access to care and support VA research.

Why GAO Did This Study

VA provides health care to over 9 million veterans each year through its medical centers and outpatient clinics. However, VA faces challenges in managing its capital assets, including a significant maintenance backlog and aging infrastructure. To meet its capital asset needs, VA may construct, purchase, or lease medical facilities. VA received the authority to enter into sole source leases with academic affiliates as part of the 2022 Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act.

GAO was asked to review VA's use of its new leasing authority. This report addresses (1) how VA identifies opportunities to lease from academic affiliates, (2) the benefits and challenges that VA and academic affiliates identified in entering into leases together, and (3) VA's actions to support implementation of its sole source leasing authority.

GAO reviewed documents and interviewed VA officials. GAO also selected a non-generalizable sample of four academic affiliates with current or potential VA leases, selected to ensure variation in the purpose and status of the academic affiliates' leases, among other things. For each lease, GAO reviewed available documents and interviewed regional and local VA officials, as well as representatives from the academic affiliate.

What GAO Recommends

GAO recommends that VA develop and implement a lessons-learned process to capture information about its use of sole source leasing with academic affiliates now, rather than waiting until 10 leases have been signed. VA agreed with the recommendation and stated that it plans to implement it.