

Why GAO Did This Study

Each year, the federal government spends more than \$100 billion on IT and cyber-related investments, including the purchase of software licenses. Federal agencies annually purchase thousands of software licenses from vendors.

GAO was asked to review federal agency software licenses. Its objectives were to identify (1) the most widely used and the highest amounts paid for software licenses by vendor and product, and (2) the extent to which selected agencies determined whether they purchased too many or too few software licenses.

GAO reviewed the 24 Chief Financial Officers Act of 1990 agencies' self-reported data on their five most widely used and highest amounts paid for software licenses. GAO then ranked these by the number of instances agencies cited specific vendors and products across the government. In addition, GAO selected nine of these agencies based on the size of their IT budgets for further review. GAO compared documentation for these agencies' five most widely used licenses to key activities identified in federal guidance. GAO also interviewed responsible officials at each of the 24 agencies.

What GAO Recommends

GAO is making 18 recommendations to nine agencies to consistently track software license usage and compare the inventories with purchased licenses. Eight agencies agreed with the recommendations and one neither agreed nor disagreed.

View [GAO-24-105717](#). For more information, contact Carol C. Harris at (202) 512-4456 or harriscc@gao.gov.

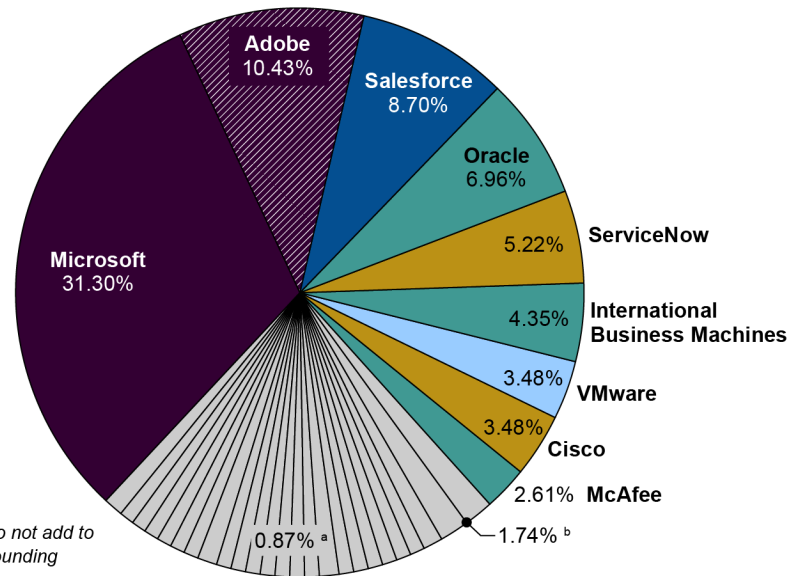
FEDERAL SOFTWARE LICENSES

Agencies Need to Take Action to Achieve Additional Savings

What GAO Found

Twenty-four federal agencies collectively identified 36 software vendors as those with the highest quantity of licenses installed, as of July 2022. Similarly, agencies reported 34 software vendors that were paid the highest amounts for fiscal year 2021 (see figure).

Software Vendors with the Highest Amounts Paid Reported by Agencies for Fiscal Year 2021



Source: GAO analysis of agency data. | GAO-24-105717

^aThe 23 vendors shown as 0.87 percent are Broadcom, Computer Associates International, Entrust, ESCgov, FCN, Four, Intelligent Editing, LinkedIn, Mercom, MicroStrategy, NCS Technologies, Palantir Technologies, PKWARE, PTC, Quest Software, SAS Institute, Skillsoft, Splunk, Symantec, Thomson Reuters, Unison Software, Zoom Video Communications, and Zscaler.

^bThe two vendors shown as 1.74 percent are Environmental Systems Research Institute and Google.

The most widely used and highest amounts paid for software products cannot be identified across the 24 agencies because agencies' license data for products were inconsistent and incomplete. For example, multiple software products within license agreements were not separately priced.

Key activities for assessing the appropriate number of software licenses are (1) tracking licenses currently in use and (2) regularly comparing the inventory of software licenses currently in use to purchase records. Conducting such activities can help avoid purchasing too many licenses—referred to as over-purchasing—or purchasing too few licenses that may result in additional fees—referred to as under-purchasing. None of the nine agencies selected based on the size of their IT budgets—the Departments of Agriculture, Energy, Housing and Urban Development, Justice, State, Veterans Affairs; the Office of Personnel Management; Social Security Administration; and U.S. Agency for International Development—fully determined that their five most widely used software licenses were over- or under-purchased.