



Office of Inspector General

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

July 8, 2025

MEMORANDUM

FROM: Marissa Gould
Acting Inspector General *Marissa Gould*

TO: David Rebich
Chief Financial Officer and Performance Improvement Officer

Lucas Croslow
General Counsel

SUBJECT: Management Advisory on Expenditures Related to Executive Transportation

From November 2024 to January 2025, the OIG conducted its annual assessment of the Federal Trade Commission's (FTC's) charge card program.¹ During our review, we identified a series of expenditures incurred by the former Chair and select staff when using an executive transportation company that provides car service.²

These transactions prompted conversations with the FTC's Office of Chief Financial Officer (OCFO) and Office of General Counsel (OGC), in February and March 2025, about the review process that preceded these transactions—as well as the risk that these expenses incurred by the former Chair's office could be perceived as excessive.

In this memorandum, we review the applicable authorities which guided our discussions with agency management, detail the expenses incurred by the former Chair's office that prompted the discussions, and discuss potential policy tools to help mitigate agency risk that could arise from future bookings of car service.

Based on our observations, we issue a recommendation to management to update its travel policy

¹ We conduct this annual assessment to meet the requirements of the Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act). Pub. L. No. 112-194, 126 Stat. 1445 (2012) (codified at 5 U.S.C. § 5701 note; 10 U.S.C. § 2784; 41 U.S.C. § 1909).

² The ground transportation company—whose website touts “unparalleled” service to “the world’s most discerning travelers”—offers chauffeur-driven transportation options, for a range of logistical configurations (e.g., locations “as directed,” for “as long as needed,” or two pre-established “point-to-point” locations) and rates, to clients in more than 1,000 cities worldwide. The vehicles selected were under the types “SUV” and “sedan,” which offered higher-end automakers and models. Almost half of the trips discussed here were chauffeur-driven “luxury” or “executive” sedans; the remainder were chauffeur-driven SUVs.

to include enhanced requirements for the justification and documentation of these travel expenses. As we note below, an update to the agency's travel policy was already underway prior to our review. (See Appendix I for further details on the expenditures related to car service, as well as Appendix II for agency management's response to the draft of this memorandum.)

I. Background

Our Charge Card Act review's main objective is to identify and analyze the risk of illegal, improper, or erroneous purchases and payments present in the agency's charge card (i.e., purchase card, travel card, and centrally billed account) activity for the preceding fiscal year. Based on our risk assessment of FY 2024 activity, we identified the overall risk level of the FTC charge card program—including the risk of illegal, improper, and erroneous purchases made through the FTC's purchase card program—as low, as stated in our January 28, 2025, letter to the Office of Management and Budget (OMB).³ However, through our analysis, we noted the former Chair's office incurred expenditures totaling \$18,870 across 16 occasions for booking car service, as detailed further in Appendix I.

We approached agency management, including OCFO and OGC, to discuss what appeared to be unusually high expenses for travel.

According to the Office of the Executive Director (OED) and OCFO officials, the former Chair's office's use of car service began after an incident in Washington, DC—in which a rideshare service failed to arrive on time, causing the former Chair and accompanying staff to be late for a high-level meeting.⁴ The Chair's office consulted with agency management to explore options for reliable local transportation. Thereafter, the Chair began using a car service, initially for DC travel and, later, for official government travel. The FTC officials we spoke to were not aware of other Commissioners, or former (or current) Chairs using car service for official travel in this manner.

³ See Final OIG Letter to OMB on FTC Charge Card Risk Assessment, at https://oig.ftc.gov/sites/default/files/reports/2025-01/2025-01-28_FY%25202024%2520GCCAPA_final.pdf.

⁴ During the pandemic, the FTC determined that maintaining a vehicle fleet contract for local travel to and from its Washington, DC, headquarters was no longer cost effective. As a result, the agency canceled its fleet contract and executives used commercial rideshare services for local transportation in the DC area. Our advisory does not examine local ground transportation practices but, instead, focuses specifically on the costs associated with ground transportation while the former Chair and select staff were on official travel outside of the DC area.

Upon receiving the request to use a car service for the first trip, which was to Las Vegas (see trip #1 in the table of Appendix I), OCFO asked OGC to review the use of a car service.⁵ OGC responded, via email, that [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

As part of our efforts to understand the documentation and approval process for all of the trips, we reviewed the travel vouchers submitted by the Chair’s office in Concur, the federal government travel platform.⁷ We observed that the justifications the Chair’s office supplied in Concur included “ease of transportation” in one city, and “[arriving at] commitments in a timely fashion” in another broad metropolitan area spanning several cities. While the Chair’s office’s justifications for booking car service described the number of passengers and multiple locations, no comments addressed or justified the use of car service in lieu of a less expensive alternative, such as a typical car rental service or a rideshare app.

[REDACTED]

[REDACTED]. Ultimately,

⁵ This was the only instance that OGC advised OCFO on use of a car service for government travel.

⁶ [REDACTED]

⁷ ConcurGov Cloud is a federal government-specific version of SAP Concur, a cloud-based travel and expense management system. Designed to help U.S. federal agencies and government employees manage official travel, expenses, and compliance under strict government regulations, Concur.gov specifically assists government travelers with booking airfare, hotels, and rental cars.

though, the Chair’s office made the final decision to use car service.

II. Relevant Standards

Federal Travel Regulation

The Federal Travel Regulation (FTR) provides the requirements for the allowable use and reimbursement of transportation services (both at the traveler’s official duty station and in temporary duty locations, or TDY) authorized and approved by the agency.⁸ The FTR directs that all government travelers follow “The Prudent Traveler Rule,” which requires that government travelers “exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business.”⁹

In addition to other types of permissible transportation, the FTR allows agencies to authorize a form of transportation named a special conveyance, which the FTR defines as “[c]ommercially rented or hired vehicles other than a privately owned vehicle and other than those owned or under contract to an agency.”¹⁰ The FTR permits agencies to use the following types of special conveyances:

- taxis, transportation network companies, vehicles hired through “innovative mobility technology companies”
- certain commercial rental automobiles, and
- “[a]ny other special conveyance when determined to be advantageous to the Government.”¹¹

Reimbursable charges incurred when using special conveyances include fuel, storage rental, tolls, per diem of operator, and any other “[a]ctual expenses that your agency determines are necessary.”¹²

FTC Administrative Manual

Chapter 2, Section 400, contains the agency’s policy related to “Temporary Duty Travel Policies and Procedures.” In its overview of general TDY policies and procedures, the agency sets its “Standard of Care”—more specifically, an expectation that FTC travelers will follow the “Prudent Traveler Rule” when incurring expenses and take responsibility for “excess costs” and “additional expenses.”¹³

⁸ See 41 C.F.R. § 301-10, Subpart D.

⁹ See 41 C.F.R. § 301-2.3. I.

¹⁰ See 41 C.F.R. § 300-3.1.

¹¹ See 41 C.F.R. § 301-10.400.

¹² See 41 C.F.R. § 301-10.401.

¹³ *FTC Administrative Manual*, Chapter 2, Section 400(7)(E) states the agency’s expectation of travelers following the “Prudent Traveler Rule” as follows: “Excess costs, circuitous routes, delays or luxury accommodations, and services unnecessary or unjustified in the performance of official business are not acceptable under this standard. Employees will be responsible for excess costs and any additional expenses incurred for personal preference or convenience.” Chapter 2, Section 410, addresses a comparable scenario (i.e., local travel) with guidance as follows:

III. Observations

We observed that the FTC travel policy relating to justifications of travel expenses does not address “other special conveyances” that must meet the FTR’s “advantageous to the government” standard. Without effective criteria delineating the allowable circumstances for using “other special conveyances”, the agency incurs not just the financial cost but the reputational risk. Criteria might include security needs,¹⁴ operational requirements, and the (un)availability of less-costly standard transportation options.

When reviewing the 16 instances of the former Chair and staff procuring car service, we noted their use when traveling to larger cities (that often offer several transportation options) as well as smaller cities (that have fewer options). Without the former Chair or her staff providing any detailed justification based around safety/security, logistical constraints, or the availability of other transportation options submitted for review, it became difficult to determine whether their actions caused the agency to incur higher costs than necessary. More specific and detailed parameters would help the agency align its travel policy with the FTR’s “advantageous to the government” standard and provide the agency a tool for helping ensure consistent and cost-effective use of government funds, as well as mitigating the risk of reputational harm to the agency.

We also observed that, on at least four occasions, the former Chair traveled with multiple staff members.¹⁵ In such instances, there may have been opportunities to consider more cost-effective modes of transportation (e.g., a rental vehicle without a contracted driver), particularly when multiple individuals are traveling together. Exploring these alternatives may have reduced their overall ground transportation costs by several hundred dollars per trip, while still meeting the needs of the former Chair and accompanying staff. We realize that this may not have been a plausible option on every occasion.¹⁶ However, we observed that the opportunity to consider alternate modes of transportation did exist on a few of the former Chair’s trips. For example, we reviewed documentation that indicated the former Chair was accompanied by three staff members on her November 1, 2023, trip to Denver, CO (see trip # 3 from the table in Appendix I). The OIG’s assessment showed that the use of a rental car as an alternative could have potentially saved the government approximately \$720 (see calculation below).¹⁷

“Car services (e.g., VIP service, limousines, sedan service, etc.) are not authorized, but the employee can apply for reimbursement up to the cost of a taxi.”

¹⁴ When we asked whether the travel justifications mentioned any security issues, OCFO told us that security was never noted on their paperwork.

¹⁵ Multiple staff joined the former Chair on trips taken on October 23, 2023; November 1, 2023; November 2, 2023; and November 3, 2023.

¹⁶ The former Chair’s options for ground transportation were limited in part because she often traveled with a staff member who did not possess a valid driver’s license, reducing the feasibility of rental cars.

¹⁷ On March 26, 2025, we reviewed the rental vehicle costs based on quotes obtained from Concur for the date of Thursday, April 3, 2025. To ensure a thorough assessment, we included an additional \$100 to account for miscellaneous fees on top of the quoted rental prices. Furthermore, we projected fuel expenses at \$100 per day for each trip. In addition to rental, miscellaneous, and fuel costs, we researched parking expenses by obtaining quotes from a parking app for the relevant trip locations. When analyzing the quotes, we conservatively selected the highest quoted prices for public parking, estimating a requirement of 6 hours of parking per day. The above table details an

Date	From Traveler Voucher	11/01/2023
Actual Transportation Amount	Actual, from Invoice	\$1,127.50
Rental Car + Fees, Full-Sized Rental Car	Quote from Concur.gov	262.00
Projected Fuel Cost	OIG Assumption	100.00
Public Parking Costs (Based on 6 Hours)	From Parking App	45.00
Total Projected Cost for Rental Car	OIG Projection	\$407.00
Potential Savings for the Government	Actual Cost, Less Total Projected Costs for Rental Car	\$720.50

IV. Conclusion

We realize that it is not reasonable for an agency’s travel policy to contemplate all types of potential expenses. Although the FTR does provide some discretion and flexibility regarding the options, it is essential that new agency policy be as specific and detailed as reason allows to increase the likelihood of consistent, transparent, justifiable—and perhaps less frequent—costs incurred from discretionary spending on car service.

V. Recommendation

We recommend that the Chief Financial Officer consider incorporating into policy the requirement that justifications for “other special conveyances,” such as car service, include clear and delineable reasoning as to why the selected option meets the FTR’s “advantageous to the government” standard.

VI. Summary of Management’s Response

The Chief Financial Officer and General Counsel provided a written response dated June 23, 2025, to a draft of this report. The response is presented in its entirety in Appendix II. In their response, the Chief Financial Officer concurred with the advisory recommendation, proposed action in response to the recommendation, and targeted a completion date of September 1, 2025.

Please submit to us an action plan that addresses the recommendations contained in this advisory within 60 calendar days. This advisory will be posted on our public website pursuant to the Inspector General Act of 1978, as amended, 5 U.S.C. § 420.

We thank OCFO and OGC for the cooperation and consideration given to the OIG in the development of this product. If you have any questions, please contact me at mgould1@ftc.gov.

example of our methodology applied to one instance of incurred transportation costs, trip #3 from the table in Appendix I (to Denver, CO).

Appendix I

Background: Executive Transportation Expenditures Discussed in This Memorandum

Instance #	Date of Service	Location of Service	Amount (\$)
1	09/13/2023	Las Vegas, NV	1,404.58
2	10/23/2023	Phoenix, AZ	737.15
3	11/01/2023	Denver, CO	1,127.50
4	11/02/2023	San Francisco, CA	2,074.70
5	11/03/2023	San Francisco, CA	901.95
6	02/21/2024	Boston, MA	1,844.90
7	02/22/2024	Boston, MA	803.10
8	04/19/2024	Chicago, IL	1,135.63
9	04/20/2024	Des Moines, IA	1,237.80
10	06/07/2024	Atlanta, GA	787.02
11	06/14/2024	Stamford, CT	901.16
12	07/23/2024	Houston, TX	516.26
13	07/25/2024	San Francisco, CA	926.64
14	07/26/2024	Denver, CO	836.26
15	10/02/2024	Chicago, IL	1,020.71
16	10/03/2024	Madison, WI	2,214.80
Total			\$18,470.16

Appendix II Management Response



Office of the Chief
Financial Officer

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TO: Marissa Gould
Acting Inspector General

FROM: David Rebich
Chief Financial Officer
Lucas Croslow
General Counsel

**DAVID
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SUBJECT: Management Response to OIG Advisory on Expenditures Related to Executive Transportation

Thank you for the opportunity to review and comment on this draft report.

The FTC's use of special conveyances is an allowable management decision. The FTC typically requires the most cost-effective method of transportation, but it is not the only factor considered. In the limited instances noted in the report, there were tight timelines for multiple meetings in a single day that made alternative forms of transportation less effective or reliable. Federal law and policy were followed in each instance, and management determined that car service was advantageous to the government.

Furthermore, it is common practice for agency management to advise an agency head of the various risks associated with management decisions. The potential for reputational harm is just one common example.

While agency management's decisions were consistently applied, justified, and allowable in these instances, the FTC concurs with the OIG's recommendation to require clear and delineable justifications in writing for the use of special conveyances. The OCFO will update associated agency policy. The expected implementation date is September 1, 2025.