

We issue a credit card to our employees who have to travel for business. They submit expense reports and are reimbursed quite quickly. The problem is them getting us the expense reports.

The employees are responsible for paying the credit card when due. If past due, they have to pay the late fee.

If a card is “turned off” by the credit card company because they were past due on their bill and the employee has been reimbursed for all expenses, what can we do?

What do other companies do in such a situation? Do they keep reminding the employee that their account is past due? Do we inform the manager that there could be an issue with the employee’s ability to travel for work? Concern is privacy and who has a right to know the situation.

Is the card backed by the company? We have a corporate credit card account that issues the cards to employees. EE’s submit expense reports with receipts (marked as cash or company credit card; accounting reconciles). Accounting reconciles and pays the entire credit card bill monthly, requesting invoices or receipts and clarification as needed.

I think in the situation as described the employees who are being irresponsible should lose the privilege of the credit card and should have to pay their travel expenses (if they continue to travel) out of pocket then submit for reimbursement. When we have had sales people who do not turn in receipts and expense reports timely, we let the manager know. When it comes down to it, if their job depends on traveling, they should make sure they have the means to do it.

Privileges and conveniences (when abused) should be taken away and I do not see privacy concerns with alerting a manager to the situation.

Our employees use their own credit card – not the company’s. Solves all problems :)

We only issue company credit cards to Company owners. All other employees must use their personal credit cards for any business expenses and we reimburse them immediately based on the expense report and receipts they provide us.

This policy has worked very well for us as well as our employees.

We have employees use company cards to pay for pre-travel expenses, airlines, hotels, etc. however we pay the credit cards. The employees then use their own card while traveling and hand in expenses after the trip which we will then cut them a check for the costs. We have not had an problems with employees not being able to pay their own expenses while traveling and getting reimbursed afterward.

We also do have a few employees who have company issued cards on our main credit card account. We give them print outs of their individual account charges with deadlines on when the expense reports have to be in to match the charges with receipts and have not had any problems.

In your case we would inform the manager as it can affect their ability to do their job.

We do not reimburse without an expense report or proper documentation being submitted, no exceptions. We typically reimburse prior month expenses on the first AP check run after the 15th of the following month (so May 2019 expense reports will be paid June 21st). Exceptions are made in certain circumstances.

We do not issue an employee company card for travel purposes; it is the employee's responsibility to "front" the costs and submit a timely expense report for reimbursement. This provides a bit more leverage if they do not pay their bill and motivates timely expense reports. Their option to not pay their bill hurts their credit standing, not the companies.

If larger cost item needs to be purchased, such as air fare, we do allow expense reports to be submitted, early, for reimbursement of that specific item, or the company has paid for airfare on the company card, as long as the receipt / documentation is provide at the time of booking.

We run our Corporate Credit Cards through accounting and pay the bills. So we have no late fees on our Corporate AmEX cards. Employees are required to submit these charges through an online expense management tool each month by an established deadline to verify these charges. If they don't follow these timelines, then we take away the Corporate Card and require them to use their own personal credit cards and apply for monthly reimbursement on their own. If they are late paying, then any fees are their responsibilities. We won't reimburse any expense later than 90 days after occurrence.

We only use company credit cards for company expenses. Ees use their own cards or payment of choice and are promptly reimbursed upon presenting expense report ... they can have the money before their bill comes if they comply. We do not have much traveling ours is not an appropriate comparison.

However in your situation I would add a required timeline for expense reports and a requirement to keep card payments in good standing in order to qualify to keep a company card.

We have the employees get their own CCs to use, that way if they don't pay them after having been reimbursed, it's on them, not us.

company provides us with a company card
admin pays the bill when it is due to prevent late charges and bad credit. sales should be selling not admin work
card can only be used for gas, hotel, toll fee and other business expenses
sales are given per diem for personal expenses meals, snacks, drinks

Sales hand in all receipts for item purchased on company card after trips or card usage

Our salesmen have credit cards but they are under the company's name and we pay the bills. Sales rep receives a copy of their expenditures for the month. They turn in their receipts with notes as to what they were for. Lunch with XXX customer, tolls, parking etc

When they pay for things on their own; they turn in an expense report and we too have a problem getting those timely. But it's their money so if they don't turn in timely they don't get reimbursed timely. We do give them a push at the end of every quarter to get them in.

If a grown person can't pay their credit card on time... there's a problem especially when they can pay it online in an instant. I understand they want to get reimbursed first before they pay it but I think most companies reimburse the employee and the employee would be responsible to pay the bill sometimes prior to being reimbursed.

You issue a company credit card but the employee pays it? Have them use their own card and submit expense reports. If they don't then they don't get reimbursed!

You pay the bill - The card is issued on your account ...
If you want employees to pay the bill make them use their own credit card...

We do not use this method for credit card purchases. Each employee has a credit card and a separate statement for their charges. They submit their statement with the receipts and reports required to support the charges.

One of my previous employers had a practice similar to the situation below. They handled it slightly different. The credit card was issued to the company and the employee. The employee had to sign a document that the liability remains with the employee until proper trip reports are submitted to corporate. The company paid the credit card statement to ensure the liability was paid. If travel reports were not submitted to the company within 20 days after the statement date, their manager would be notified. If the reports were not submitted in 30 days, then the employee could have that amount deducted from their paycheck. The process described above would change the responsibility of the reconciliation of the credit card from the employee to the company and would require more corporate time to ensure the charges are correct.

There are a few other items that need to be known to help design a complete program. Does the true liability for the expenses reside with the company or the employee? (Whom does the credit company pursue when the balance is not paid?) What happens if the employee leaves the company with unbalanced credit card charges?

Company Credit cards are controlled by the Company and paid by the company. Employees submit expense reports weekly and charges are reconciled with credit card statements. Employees do not pay for credit card expenses to the credit card account but must support expenses with their expense reports.
