

Guideline for Use of Electronic Images in Expense Claim System

Purpose:

This guideline is to help ensure the receipt/invoice images in the Expense Claim System are legitimate and meet Canada Revenue Agency (CRA) requirements.

CRA Requirements Regarding Electronic Images:

“Electronic images” means the representation of a source document that can be used to generate an intelligible reproduction of that document, or the reproduction itself. In the case of paper source documents, an intelligible reproduction means that:

- the reproduction is made with the intention of standing in place of the source document; and
- the interpretation of the reproduction, for the purposes for which it is being used, gives the same information as the source document; and
- the limitations of the reproduction (e.g., resolution, tone, or hues) are well defined and do not obscure significant details

Risks of Non-compliance with CRA Requirement:

Below are the identified risks if an image does not meet the CRA requirements:

1. University may lose the GST or HST rebate related to the transaction that does not have a legitimate image of receipt/invoice.
2. Research granting agency may deny the expense being charged to a grant.
3. If there is a significant number of images with issues, it could be considered a system failure, and result in lack of trust by CRA and/or granting agencies.
4. External auditor(s) could potentially identify it as an internal control issue.

Responsibilities and Procedures:

Claimant: Must ensure all images provided to support an expense claim meet the above requirements

Department Approver: Must review all images to ensure they meet the above requirements

Financial Services: Must review images for eligibility and policy compliance, as per Expense Claim Sample Review procedure.

Corrective Actions for Non-compliance:

Financial Services will use Concur to manage non-compliance in this regard, keeping track of the users having non-compliance issues. Corrective actions will be taken for significant non-compliance of image requirements.

Examples of corrective actions could be additional user training, escalating to higher authorities, additional sampling, or requiring paper expense claim packages.