

IN THE MATTER OF THE ARBITRATION BETWEEN

AFSCME, Council #65 [Pat Canlas]

And

Traverse County, Minnesota

OPINION AND AWARD
BMS case # 16-PA-0231

ARBITRATOR

Joseph L. Daly

APPEARANCES

On behalf of AFSCME, Council #65

Teresa L. Joppa, Esq.

Moorhead, Minnesota

On behalf of Traverse County, Minnesota

Justin R. Anderson, Esq.

Elbow Lake, Minnesota

JURISDICTION

Under the jurisdiction of the State of Minnesota, Bureau of Mediation Services, the above grievance arbitration was submitted to Joseph L. Daly, Arbitrator, on February 24, 2016, at the Traverse County Annex, Wheaton, Minnesota. The parties filed post-hearing briefs on March 20, 2016 (Traverse County) and March 21, 2016 (AFSCME, Council 65). The decision was rendered on April 13, 2016.

ISSUES AT IMPASSE

AFSCME Council #65 states the issues as:

Did the employer, Traverse County, violate the Collective Bargaining Agreement's provisions related to discipline and discharge, specifically Article 16, when the employer terminated the employment of the grievant, Pat Canlas? If so, what is the remedy?

Traverse County states the issues as:

1. Was their just cause to discipline Pat Canlas?
2. If so, was termination an appropriate disciplinary measure?
3. Was Pat Canlas subject to disparate treatment?

RELEVANT CONTRACTUAL PROVISIONS

ARTICLE XVI. DISCIPLINE AND DISCHARGE

16.1 Discipline

The purpose of disciplinary action is to correct rather than punish. The Employer will only discipline employees for just cause. Disciplinary action shall be progressive and follow the steps listed below:

1. Oral Reprimand
2. Written Reprimand
3. Suspension and/or demotion
4. Discharge

In cases of gross misconduct or incompetence, discipline need not be progressive and may for a first offense involve an appropriate suspension, demotion or discharge.

17.3 Grievance Procedure

17.34 Step 4. If the grievance is not resolved through the BMS or if the parties choose to bypass Step 3 the Union may, by written notice to the Employer, request arbitration of the grievance. The Arbitration proceedings shall be conducted by an arbitrator to be selected by mutual agreement of the Employer and the Union. If the parties fail to mutually agree upon an arbitrator within ten (10) calendar days, either party may request the BMS to submit a panel of arbitrators. Both the Employer and the Union shall have the right to strike names from the panel. The first strike shall be determined by the flip of a coin. The process will be repeated, and the remaining person shall be the arbitrator.

17.4 Arbitrator's Authority

The arbitrator shall have no right to amend, modify, nullify, ignore, add to or subtract from the terms and conditions of this contract. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union, and shall have no authority to make a decision on any other issue not so submitted. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever is later, unless the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this contract and to the facts of the grievance presented.

RELEVANT POLICY

104 Business Ethics and Conduct

The successful business operations and reputation of Traverse County is built upon the principles of fair dealing and ethical conduct of our employees. Our

reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of Traverse County is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to Traverse County, its customers, and taxpayers to act in a way that will merit the continued trust and confidence of the public.

Traverse County will comply with all applicable laws and regulations and expects its employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide employees with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor and, if necessary, with the Human Resources Department for advice and consultation in accordance with Problem Resolution police no. 718.

Compliance with this policy of business ethics and conduct is the responsibility of every Traverse County employee. [Exhibit 4]

RELEVANT MINNESOTA STATUTES

Minnesota Statute §471.38, subd. 1... where an account, claim or demand against any county... for any property or services can be itemized in the ordinary course of business, the board or officer authorized by law to...allow claims shall not...allow the claim unless the person claiming the payment...reduces it to writing or electronic transaction record, in items and signs a declaration to the effect that such...claim or demand is just and correct and that no part of it has been paid.

Minnesota Statute §609.52, subd. 2. **Acts constituting theft.**

(a) Whoever does any of the following commits theft...

(1) intentionally and without claim of right takes, uses, transfers, conceals or retains possession of movable property of another without the other's consent and with intent to deprive the owner permanently of possession of the property

Minnesota Statute §609.456 **REPORTING TO STATE AUDITOR AND LEGISLATIVE AUDITOR REQUIRED.**

Subdivision 1.State auditor; police; firefighters; teachers.

Whenever a public employee or public officer of a political subdivision... discovers evidence of theft, embezzlement, unlawful use of public funds or property, or misuse of public funds by...any person authorized to expend public

funds, the employee or officer shall promptly report to law enforcement and shall promptly report in writing to the state auditor a detailed description of the alleged incident or incidents.

FINDINGS OF FACT

1. By letter dated May 13, 2015, Pat Canlas, a six and a half year Deputy Auditor/Treasurer in the Traverse County Auditor's Office was placed on administrative leave. The letter stated:

Dear Ms. Canlas:

This letter is to notify you that you are being placed on paid administrative leave effective immediately. The decision to place you on paid administrative leave is based on information that has been collected and observed that you have been consistently posting personal postage without reimbursement to the County, which constitutes theft and creates a level of untrustworthiness in your current position. You will remain in this status until a full and complete investigation into these incidents has been undertaken and concluded. You will be on paid status during this time with no impact on your salary or benefits.

You will need to immediately turn in any County property including keys, and any County documents or records and provide any passwords for your equipment. If you have any County property at home, a time must be arranged with your supervisor to turn in this equipment/documentation in a timely manner.

If you have any questions during this time, please contact Kit Johnson. [County exhibit 12]

2. On June 16, 2015, Ms. Canlas appeared at the Loudermill hearing. She presented her side of the story, admitting her use of the county postage machine for personal purposes without reimbursing the county. She acknowledged through her attorney that she failed to provide reimbursement for at least \$1.92. According to the County, Kit Johnson, the elected County Auditor, having "heard nothing new" [Post-hearing brief of County at 10] determined that termination was the appropriate remedy. "For the same reasons stated in the [above May 13] letter" Mr. Johnson terminated Ms. Canlas [Id.].

3. Sara Dawson is also a Deputy Auditor/Treasurer working for Traverse County. Ms. Dawson is responsible for the County's accounts receivable, among other things. Ms. Dawson had received no specific training on the usage of the postage machine for personal mail. However, she had come to observe and understand that posting personal mail was allowed and that employees would reimburse her when they metered personal mail. Ms. Dawson's practice was to allow the money she received from employees to accumulate and not to receipt in postage

every time someone metered personal postage and provided her reimbursement. The reimbursement moneys were kept in an envelope in a locked drawer in Ms. Dawson's desk.

4. Beginning in March 2015, Ms. Dawson observed that Ms. Canlas was posting personal mail and was not paying Ms. Dawson for the items that Ms. Canlas had metered. Ms. Dawson observed that Ms. Canlas was metering personal mail from approximately the middle of March to the middle of April, 2015 and did not recall any reimbursement during that timeframe. During that timeframe, Ms. Dawson had observed that Ms. Canlas had metered personal pieces of mail.

5. In an effort to curtail Ms. Canlas' inappropriate use of the postage meter, i.e. without immediate reimbursement, Ms. Dawson metered her own personal postage from mid – March to mid April. After each time she had done so, she went to Ms. Canlas, and indicated that she had just posted personal mail and gave Ms. Canlas the proper reimbursement. Ms. Dawson testified that she hoped this would indicate to Ms. Canlas that it would be improper for Ms. Dawson to receipt in her own reimbursement, and that Ms. Canlas would begin reimbursing the County for her use of the postage meter. Ms. Dawson did not say to Ms. Canlas “you should be immediately reimbursing when you post personal mail on the Traverse County postage meter.”

6. On or about April 15, 2015, Ms. Dawson testified she observed a parcel being mailed to the Avon Company in the County mail. Ms. Dawson testified the cost of mailing the parcel was “approximately \$10” and that the County postage meter had been used. Ms. Dawson further testified that the Avon Company was not a County approved vendor, and that she knew that Ms. Canlas was an Avon dealer. At the arbitration hearing, Ms. Canlas denied shipping the Avon package using County postage and indicated that all her shipments to Avon were through UPS. On or about April 15, 2015, Ms. Dawson reported to Mr. Kit Johnson, Traverse County Auditor, that Ms. Canlas had been using the postage meter for personal use, including a \$10 parcel for an Avon package. Mr. Johnson directed Ms. Dawson to change the way in which she was receiving postage so that the Postage Account Activity Report would now attach a name to the individual reimbursing the County. The Postage Account Activity Report for 2015 shows postage deposits \$3.60 on January 28, 2015, \$4.75 on April 20, 2015, \$5.28 on April 30, 2015 (Canlas), and \$2.50 on May 13, 2015 (Canlas). [County exhibit 2].

Mr. Johnson testified that he wanted an observation period simply to make sure “there were no mistakes.” From April 15 through May 12, 2015, Mr. Johnson monitored the mail on nearly a daily basis. On April 15, 2015, Ms. Canlas posted mail to Jerry's Service in the amount

of \$.48 and did not provide reimbursement. On April 21, 2015, Ms. Canlas posted mail to Energy Services in the amount of \$.48 and did not provide reimbursement. On April 30, 2015, Ms. Canlas posted 13 pieces of mail, but paid for 11. On May 1, 2015, Ms. Canlas posted mail to Dish in the amount of \$.48 and did not provide reimbursement. On May 4, 2015, a letter was posted to Joe Wright with a return label of Rinke. Mr. Johnson testified that Rinke is a relative of Ms. Canlas. Ms. Canlas admitted at the hearing to posting the mail. On May 12, 2015, before the office opened, Ms. Canlas posted three letters in the amounts of \$.48. On the morning of May 13, 2015, Ms. Canlas paid Ms. Dawson \$2.50 for postage.

7. Ms. Canlas testified that on the morning of May 12, 2015, before the office opened, she came to the office to leave a note that she had a sick grandchild she needed to take care of. She posted three letters in the amounts of \$.48 each. She further testified that on the morning of May 13, 2015, when she came to work, she paid Ms. Dawson \$2.50 for postage.

Mr. Johnson testified he was particularly troubled that Ms. Canlas had come to the office on May 12, 2015, not to work but to run personal mail through the County's postage meter. Mr. Johnson testified that Ms. Canlas failed to mention this scenario in her interview with the County's Labor and Human Resources attorney, nor at the Loudermill Hearing. Mr. Johnson testified that while the amount in controversy is "not overwhelmingly large", Mr. Johnson explained that as a small department charged with the safe keeping and proper administration of public funds, he needs "honest, ethical, trustworthy, and responsible employees." [Post-hearing brief of County at 6] He also explained that he needs employees who meet the requirements of Policy 104, Business Ethics and Conduct. "Traverse County submits that wrongdoing, namely theft, has occurred and that the penalty assessed, namely termination, was appropriate." [Id. at 11-12]. In the County's view the amount is irrelevant. Ms. Canlas' actions were intentional taking. When she did not make reimbursement it demonstrates her intent to commit and conceal her theft. Even when she made reimbursement, she did so for 11 letters when she mailed 13 letters. Further, she made reimbursement for postage that she metered before the office was opened. She did so "to avoid detection of her scheme, she immediately made reimbursement the next day." [Id. at 14].

Traverse County contends that termination is an appropriate penalty for an employee who commits theft of public funds. Theft of employer property is one of the most serious workplace violations. It is a dischargeable offense no matter how much the item cost the employer. This

behavior is even more egregious because Ms. Canlas was employed in an office that handled public funds.

Finally, contends the County, Ms. Canlas' termination does not constitute disparate treatment. Mr. Johnson testified he alone meted out discipline in this matter. He had not reviewed how other departments level disciplinary actions. He was not aware of specifics of previous discipline actions described in Union exhibit #1. He testified that as an elected official he made the determination to terminate Ms. Canlas based upon his observations, expectations and lack of trust. Essentially, it is the contention of Traverse County that Ms. Canlas "committed theft- theft of public funds by an employee who was entrusted with safeguarding the same. Termination is clearly a reasonable measure, even given [Ms.] Canlas' prior lack of disciplinary history. There is no evidence that the employer was unreasonable, arbitrary, capricious, or discriminatory as such the disciplinary action ought to be sustained by the arbitrator." [Id. at 20].

8. The union contends that there was not just cause to terminate Ms. Canlas because:
 - a. Ms. Canlas and other employees have used the County postal meter in a casual manner and the employer had full knowledge of this lax practice for years;
 - b. The employer could not prove that Ms. Canlas had not paid the postage back in full due to lack of accounting for metered postage use or payments and there was evidence that Ms. Canlas at times overpaid the postage she owed;
 - c. The employer suddenly changed unwritten rules about reimbursement of postage costs without notice to the employees and terminated Ms. Canlas for not complying with the new rules;
 - d. Ms. Canlas' termination does not comport with the contract's requirement that discipline be corrective and not punitive;
 - e. The employer's termination of Ms. Canlas is unfair when compared to the employer's past treatment of other employees' serious wrong-doing.

The relevant contract language requires that discipline is to be corrective, not punitive. [Article 16.1]. The union argues that it is clear from all the evidence in this case that the employer made no effort to take corrective action when it determined that Ms. Canlas might not understand the vague, unwritten rules regarding use of the County postal meter for personal mail.

The employer has also not met its burden of proof in discipline cases. Ms. Canlas is accused of theft, an accusation that is criminal in nature, and a highly stigmatizing accusation, especially in a small town such as Wheaton, Minnesota:

Most arbitrators apply the ‘preponderance of the evidence’ standard to ordinary discipline and discharge cases. However, in cases involving criminal conduct or stigmatizing behavior, many arbitrators apply a higher burden of proof, typically ‘clear and convincing evidence’ standard, with some arbitrators imposing ‘beyond a reasonable doubt’ standard. [Elkouri and Elkouri, *How Arbitration Works*, BNA 7th ed., p. 15]

There was lax oversight and there was a change in practice and rules without notice to employees. There was a long-standing acceptable practice for Traverse County employees to occasionally use the County’s postal meter for their own personal use. The County had no written policy about personal use of the postal meter or about when employees had to reimburse the postal costs. For many years it was acceptable for County employees to mail their bills or cards, or even packages, using the County’s postal meter, which was located in a readily accessible space in the auditor/treasurer’s office. Most employees paid the postage they owed the county for their personal mail contemporaneously with use of the meter, but some did not. This practice was confirmed by the testimony of union witnesses, Janet Raguse, the former Traverse County Coordinator, now Human Resources Director for Morris, Minnesota, and Val Seifert, who worked for Traverse County for nine years.

The postal meter was kept in an open area next to some baskets for outgoing mail. There was no notebook or other means of keeping track of who used the meter or how much postage they owed for personal mail. There was an envelope into which employees placed their payments for postage, which was kept in Ms. Dawson’s desk across the room. Everyone knew where the envelope was and access was not limited to it other than that it was in a desk drawer. Some of the witnesses at the arbitration hearing testified that they just paid the postage to the auditor/treasurer department employee who was available when they used the meter. Everyone who testified about the postal meter agreed that no receipts were given when personal postage was paid. Ms. Dawson testified she did not know who paid in full and who did not pay in full. She agreed she did not really know if Ms. Canlas underpaid or over paid for her postage. Ms. Val Seifert testified that she mailed a personal package for Social Services Director Rhonda Anthium using the County postal meter. Ms. Siefert metered the package in the

Auditor/Treasurer's office and wrote the amount Ms. Anthium owed a post it note, which she left on Ms. Anthium's desk because Ms. Anthium was gone for a meeting when Ms. Siefert got back to the office. The following day, Ms. Anthium gave Ms. Siefert the amount money she owed for the postage and Ms. Siefert delivered it to the Auditor/Treasurer's office.

Ms. Dawson testified she did not normally count, not by receipt or otherwise, the payments that employees made for postage, until April 2015 when she began to wonder if Ms. Canlas was paying for all her personal use of the meter.

Ms. Canlas also thought it was proper to counter balance the postage due with costs of paper plates and napkins and things she bought for office get-togethers, like birthdays, etc. Ms. Canlas did not deny not paying for some postage immediately after running mail through the meter. She did not lie or try to hide her informal, but questionable, manner by which she sought reimbursement for paper products she paid for and brought to the office. The County contends that what Ms. Canlas did was intentional theft. Ms. Canlas' testimony at the arbitration hearing was that she bought paper products for the office. These products typically cost around \$8. She sought reimbursement through her informal process of balancing out by use of the Traverse County postage meter.

The union contends, "the County's lax oversight of postal meter use and reimbursements presents a real problem in this case. How can the employer meet [its] burden of proof in this case and...expect to fire Ms. Canlas if they admit their records are incomplete and inaccurate?" [Post-hearing brief of union at 7].

What the employer is doing, argues the union, is playing "a game of gotcha". [Id. at 8]. Lax enforcement followed by strict enforcement without notice is exactly what occurred in this case. Ms. Canlas had no reason to believe that her payment could not be delayed or that she could not offset the paper products she provided for in-office celebrations of birthdays, etc., with occasional non-payment of postage due to the County. [Id.].

Arbitrators have not hesitated to disturb penalties where the employer over a period of time has condoned the violation of the rule in the past. Lax enforcement of the rules may lead employees to reasonably believe that the conduct in question is tolerated by management. Even where the employee engaged in conduct that is obviously improper...the fact that management had failed to impose discipline in the past can be a signal that unacceptable behavior will no be penalized. Although previously having been lax in enforcing rules of conduct an employer can turn to strict enforcement after giving clear notice of intent to do so. [Elkouri and Elkouri, *How Arbitration Works*, BNA 7th ed. at chapter 15 pp. 74-75].

In her six years of employment, Ms. Canlas watched many employees, including the former coordinator, Ms. Raguse, use the County postal meter to send personal mail. She knew immediate payment was not strictly required. She felt that the casual use of the postal meter might allow for her method of casual reimbursement of the paper products as well. “This crossed the line, perhaps, but not the degree that she ought to be fired for it.” [Post hearing Brief of Union at 9].

The Collective Bargaining Agreement states that the purpose of discipline under most circumstances is “corrective not punitive.” Had Ms. Canlas been told by either Ms. Dawson or Mr. Johnson “you cannot charge postage to the County for reimbursement for paper products you provide at birthdays, etc.; you have to pay the same day” none of this would have happened. Ms. Canlas would still be working for Traverse County diligently and honestly completing the payroll tasks she was assigned.

“The union is not arguing that Ms. Canlas is blameless in this case, nor are we arguing that she should receive no discipline.” [Id. at 10]. “She should have made better efforts to clarify questions she had about whether the County would reimburse her for paper products.” “[H]owever, she should not have been singled out for termination when other employees did the same or similar things were not terminated or even disciplined by Traverse County.” [Id.]

“Pat Canlas deserves some level of discipline, no doubt, but only because she did not clarify if she could be reimbursed for paper products used for office gatherings because she did not use the proper means to secure reimbursement. Beyond that, the evidence in this case shows that [Ms.] Canlas’s use of the postal meter in payment for personal mail was no different than other employees. Traverse County cannot meet its burden of proof by clear and convincing evidence that just cause exists to terminate [Ms.] Canlas’s employment. As a remedy AFSCME asks for a decision holding:

1. That the employer did not comply with the Collective Bargaining Agreement’s provisions for discipline under Article 16.1;
2. That there was not just cause to terminate Ms. Canlas;
3. That some lesser “corrective” amount of discipline is appropriate under the facts of this case and the contract language in the collective bargaining agreement. The union suggests a 5-day

suspension attributable only to the paper products not properly being reimbursed through the County's reimbursement process. [Post-hearing brief of union at 14].

AFSCME further requests that the arbitrator reverse the discharge, return Ms. Canlas to her previous position and make her whole for back pay and benefits, less any suspension without pay. Finally, the union requests that the arbitrator retain jurisdiction to settle any issues that arise as the parties work to implement the award.

DECISION AND RATIONALE

Theft of any amount, particularly by an employee of the Auditor/Treasurer is a terminable offense. Even a "de minimus" amount is not tolerable by someone who is in a position of such trust. The elected Traverse County Auditor needs "honest, ethical, trustworthy, and responsible employees." Without a doubt if "theft", that is the intentional taking of the property of Traverse County with the intent to deprive Traverse County is proven, then the offense is terminable. These are public funds belonging to Traverse County. Even \$.48 represents a sacred trust for and on behalf of the people of Traverse County.

Even though the contract says that "the purpose of disciplinary action is to correct rather than punish", in cases of gross misconduct, discipline need not be progressive. A first offense such as theft by a Deputy Auditor/Treasurer can be just cause for immediate discharge.

So the question is has the County proven "theft"? More specifically, has the County proven theft by clear and convincing evidence? The clear and convincing evidence standard is being used in this case because of the criminal nature and stigmatizing reality of the reasons given for termination. "Traverse County submits that wrongdoing, namely theft, has occurred and that the penalty assessed, namely termination, was appropriate." [Post-hearing brief of County at 11-12]. "This matter involves the determination of whether or not [Ms.] Canlas committed theft, which both advances a legitimate interest of management and confirms an employer's expectation that its employees be honest. If the theft can be demonstrated, there is just cause to discipline." [Id. at 12] "In the County's view, the amount...is irrelevant." [Id. at 13]

Has the County proven by clear and convincing evidence that Ms. Canlas intentionally committed theft by using the County's postage meter and not properly reimbursing the County? The answer is no.

The County for years had a casual and lax practice of the use of the County postage meter for personal reasons. It had no written policy regarding the use of, nor exactly when reimbursement was required. There were a number of unwritten, unpublished, informal rules. Nevertheless, Ms. Canlas, as a Deputy Auditor/Treasurer, knew or should have known that her own casual “set-off” policy to get her money back for providing paper products for the office was not in keeping with even casual or lax procedures. She believed she had a right to reimbursement for the paper products she provided for various birthdays, etc. Testimony at the arbitration hearing indicated that the office did provide such products when there was an official retirement. But Mr. Johnson testified that birthdays were not such an official event. Nevertheless, Ms. Canlas purchased such paper products and typically provided them for various events held at the office. Since there were no written policies, she could not be sure if such a set-off was proper.

She could and should have been sure that her casual and informal set-off policy without proper receipts and request for reimbursement forms was improper. But she was not intentionally stealing from Traverse County. Consequently the theory of the County’s case has not been proven by clear and convincing evidence. In fact, it has not even been proven by a preponderance of the evidence.

Ms. Canlas explained why she came into the office on May 12, 2015, even though she was not going to work that day. She came in to leave a note to say that she was taking care of her granddaughter. While she was there she used the County postage meter. The next day she reimbursed for the use of that postage meter. It would have been better to write down exactly how many stamps she used. Without a doubt it would have been better to immediately reimburse the County so that it was not forgotten how many stamps were used.

With regard to whether she used \$10 worth of postage to mail an Avon package, this also was not proven by clear and convincing evidence. Ms. Dawson testified she saw an Avon package with the County postage meter stamps on it. Ms. Canlas testified she used UPS for her Avon business. Ms. Dawson could not remember exactly how much postage was on the Avon package. “Approximately \$10”, says Ms. Dawson. Such testimony cannot show by clear and convincing evidence just cause for termination of a six-and- a-half year employee with no disciplinary history other than this matter.

It is not necessary to analyze disparate treatment in this case.

Based on the above rationale, it is held that the employer did not prove by clear and convincing evidence just cause to terminate Ms. Canlas. The employer did prove by clear and convincing evidence that Ms. Canlas' informal, casual and improper "set-off" procedure to get reimbursed for providing paper products for the use of the Traverse County postage meter was improper.

As admitted by the union, "[Ms.] Canlas deserves some level of discipline, no doubt, but only because she did not clarify if she could be reimbursed for paper products used for office gatherings and because she did not use the proper means to secure reimbursement." [Post-hearing brief of union at 13]. This is serious. A Deputy Auditor/Treasurer must be careful to cross all the "t's" and dot all the "i's". Mr. Johnson is absolutely correct to require his employee to be "honest, ethical, trustworthy and responsible" employees. It was irresponsible for Ms. Canlas to use her own informal "set-off" mechanism to be reimbursed for the provision of paper products. If she had gone through the proper procedures to seek reimbursement, she would have been informed that reimbursement is not made for such events. Instead, she continued to use her own mechanism.

Based on the above rationale, it is held that the employer did not have just cause to terminate Ms. Canlas' employment; however, the employer did have just cause to suspend Ms. Canlas for not following "responsible" procedures as laid out by the Auditor when seeking reimbursement for costs expended by an employee. A long-term suspension is "corrective" in this regard and fulfillment of Article 16.1 of the collective bargaining agreement. A five-day suspension, as suggested by the union in its Post-hearing brief, is simply not long enough. Ms. Canlas is suspended without pay or benefits from May 13, 2015 to May 1, 2016, when she can return to her job as a Deputy Auditor/Treasurer.

April 13, 2016
Date

Joseph L. Daly
Arbitrator