

STATE OF MICHIGAN

AND

UNION

IN THE MATTER BETWEEN:

Employer

And

**Case: Wilson # 1**

Union

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J.P.

Labor Relations Representative

G. S.

Local Representative

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## OPINION AND AWARD

### Procedural Issues

Neither party asserted any procedural issues for resolution prior to commencement of the hearing.

### Facts and Background

The facts giving rise to this grievance are essentially undisputed. The grievant, A.M., is a Probation/Parole Officer assigned to the Department. The terms and conditions of his employment are governed by a primary collective bargaining agreement between the Employer and the Union, a secondary agreement between the Department and the Union, and all policies, procedures and rules enumerated by the Civil Service Commission, the Department of Civil Service and/or the Department of Management and Budget, to the extent such policies, procedures and rules are referenced and/or permitted by either the primary or the secondary agreements.

On or about October 1, 2003, the grievant, A.M., submitted a travel expense voucher seeking reimbursement for expenses incurred during the month of September 2003. (U17). The travel voucher included a request to be reimbursed for mileage based upon the use of his personal vehicle to attend a mandatory training session. On that same date, the grievant's travel expense voucher was returned with a note indicating that it could not be approved because of the inclusion of the request for reimbursement for September 12 because he had not received authorization to use his private vehicle to attend the training event. The grievant resubmitted the voucher, removing the request for reimbursement for September 12 and subsequently filed the instant grievance.

### **Union's Theory:**

The Union argues that the grievant was entitled to the mileage reimbursement because Article 43, Section K permits mileage reimbursement when employees use their own vehicles for work-related travel.

### **Employer's Theory:**

The Employer argues that, while Article 43, Section K defines the reimbursement rates, it does not preclude the Employer from implementing a procedure for approving travel requests or the use of private vehicles.

## **OPINION AND AWARD**

It is first necessary to determine the provisions that govern travel expenses that are applicable to members of this bargaining unit. As argued by the Union, and

acknowledge by the Employer, Article 43, Section K does identify the monetary amount to which an employee may be entitled as reimbursement for work related travel. It is important to note, however, that both the body of Section K, as well as the Letter of Understanding, incorporates by reference the provisions of the Standardized Travel Regulations and the Department of Management and Budget Administrative Manual. Indeed, the Letter of Understanding (p. 334) specifically states that employees, other than those assigned to the Michigan Department of Transportation, *"shall be covered by the State Standard Travel Regulations."*

The Standardized Travel Regulations, issued by the Department of Civil Service and entered into evidence as Joint Exhibit 5, provides that the Civil Service Commission is authorized to adopt travel *regulations* and rate schedules for the reimbursement of expenses incurred by classified state employees in connection with official state business. (p. ii and iii). Moreover, Section 2 of the Regulations clearly and distinctly provide that *"all travel must be authorized and approved by the head of the agency or designated representative; except that no designated representative may approve his/her own voucher."*

In June 2002, January 2003 and March 2003, Saginaw Probation Department Staff members had been advised that they were *required* to use a State vehicle when attending training outside of the City of Saginaw. This policy was discussed during staff meetings in which, according to the minutes introduced as Joint Exhibits 7, 8 & 9, the grievant was in attendance.

On or about April 7, 2003, Policy Directive 01.03.120 was promulgated by the Department. (Joint Exhibit 3). The Directive related to the use of vehicles while conducting work related business. Section N of the Directive specifically provides:

Employees may use a private vehicle for conducting state business, except as set forth in Paragraph B. However, a supervisor may require use of a state-owned vehicle if it is to the Department's advantage to do so. In such cases, an employee may still use a private vehicle, but will not be reimbursed for mileage.

The grievant acknowledged reviewing this policy on April 8, 2003. (Joint Exhibit 4).

On April 29, 2003, the Vehicle Use Policy Directive was discussed during a staff meeting of the Saginaw County Probation Department. Minutes of the meeting, entered into evidence as Joint Exhibit 10, indicate that the grievant, A.M., was present during the meeting. Moreover, during the arbitration hearing, the grievant testified that he was aware of the policy directive and that he was specifically told to use a state vehicle to attend training sessions.

These factors notwithstanding, the Union proffers that Article 43, Section K should be construed narrowly so as to permit the use of private vehicles and the payment of negotiated reimbursement rates upon demand by the employee. The Employer, on the other hand, argues that the language of Article 43, Section K must be read as but a small part of a larger agreement and construed consistently with the entire agreement. Fortunately, the Arbitrator has significant prior authority upon which to rely to resolve this dispute:

To determine the mutual intention of the parties from the language they used, that language should be construed in the light of the purpose clearly sought to be accomplished...

See, *Globe Newspaper Company*, 74 LA 1261 (1980).

Sections or portions cannot be isolated from the rest of the agreement and given construction independently of the purpose and agreement of the parties as evidenced by the entire document. . . The meaning of each paragraph and each sentence must be determined in relation to the contract as a whole.

See, *Township of Pemberton*, 114 LA 523 (2000).

This Arbitrator cannot support the narrow construction of the language that is urged by the Union. Article 5 grants to the Employer "the sole power, duty and right" to operate and manage its Departments. Article 43, Section K, and the Letter of Understanding related thereto, are consistent with these responsibilities. While Article 43, Section K provides the monetary rate that will be applied for mileage reimbursement, the Letter of Understanding clearly acknowledges that the procedure for processing reimbursement rests with the Employer. Thus, the issue of the appropriate rate is not broached until the employee has first met the requirements of the travel reimbursement procedure. As the Employer has properly placed members of the bargaining unit on notice of the procedure and the standard for reimbursement, its policy directive limiting reimbursement eligibility must be upheld.

### **AWARD**

The grievance is denied.

Gail M. Wilson, Arbitrator

DATED: January 19, 2005