IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS

68-0157 (9-06) - 3091078 - EI

SHANNON R OAKLEY
Claimant

CLARKE AMERICAN CHECKS INC
Employer

APPEAL NO. 06A-UI-09640-CT

ADMINISTRATIVE LAW JUDGE DECISION

OC: 08/20/06 R: 02
Claimant: Respondent (1)

Section 96.5(2)a – Discharge for Misconduct

STATEMENT OF THE CASE:

Clarke American Checks, Inc. (Clarke) filed an appeal from a representative's decision dated September 20, 2006, reference 01, which held that no disqualification would be imposed regarding Shannon Oakley's separation from employment. After due notice was issued, a hearing was held by telephone on October 25, 2006. Ms. Oakley participated personally and Exhibit A was admitted on her behalf. The employer participated by Aaron Goldsmith, Regional; Manager, and Chrystal Kohanke, Assistant VP for Human Resources. Exhibit One was admitted on the employer's behalf.

ISSUE:

At issue in this matter is whether Ms. Oakley was separated from employment for any disqualifying reason.

FINDINGS OF FACT:

Having heard the testimony of the witnesses and having reviewed all of the evidence in the record, the administrative law judge finds: Ms. Oakley was employed by Clarke from December 8, 2003 until August 18, 2006. She was last employed full time as a partnership executive, a position she assumed in January of 2006. She was discharged for claiming reimbursement for expenses the employer did not feel she was entitled to.

In May of 2006, Ms. Oakley agreed to a transfer to the Chicago area. She was living in Des Moines at the time and her apartment lease did not expire until September 30, 2006. It was agreed that she could travel between Des Moines and Chicago until her lease expired, at which time she would relocate to the Chicago area. She was given a $10,000.00 relocation allowance but the particulars of what the allowance was to be used for were not discussed. In July of 2006, the employer became concerned that the number of miles Ms. Oakley was claiming was inconsistent with the number of work-related contacts she was reporting. The employer met with her on July 28 to discuss the low level of prospects but did not raise any issues concerning her requests for reimbursement.

Ms. Oakley was required to submit a projection calendar every two weeks to indicate planned activities. She was to make entries on a daily basis to a computer system known as "Avenue." The daily entries were to reflect actual activities for the day. Requests for mileage reimbursement were keyed into a web-based system. In May, Ms. Oakley claimed 3,326 miles for work-related travel. The mileage included her drive from Des Moines to the Chicago area and back on two separate occasions. It also included six days of travel while in the territory. In June, she claimed 4,135 miles. The mileage included three trips from Des Moines to Chicago and back. The mileage included travel while prospecting in Illinois over a period of six days. Ms. Oakley claimed 1,073 miles in July, which included a round trip between Des Moines and Chicago. There were also three days of prospecting in Illinois in July.

In addition to the excessive mileage, the employer also felt Ms. Oakley was using the company-issued credit card for purchases that were not work-related. She charged meals on dates she had projected to be in the office. She also charged meals on dates on which there were no work-related activities entered into "Avenue." She reported meal charges for May 8, a day she indicated as an office day. She drove from her home in Des Moines on May 8 in anticipation of prospect visits beginning May 9. She had charges on May 30, also a day designated as an office day. However, she traveled from Des Moines to Chicago on May 30 for a meeting that evening with her director. Ms. Oakley had other expenses on her credit card for dates designated as office days. The expense included the purchase of a freeway pass in Illinois, a gift certificate she was directed to purchase, topographical maps of Chicago, shipping fees to transport materials to a business partner, and shipping fees to send her laptop computer to the employer for repair.

The employer met with Ms. Oakley on August 18 concerning the inconsistencies between her requests for reimbursement and her work activities. She advised the employer that part of her travel included looking for a home in Chicago. Because she was not able to offer an explanation satisfactory to the employer, she was discharged.

REASONING AND CONCLUSIONS OF LAW:

Ms. Oakley was discharged from employment with Clarke. An individual who was discharged from employment is disqualified from receiving job insurance benefits if the discharge was for misconduct. Iowa Code section 96.5(2)a. The employer had the burden of proving disqualifying misconduct. Cosper v. Iowa Department of Job Service, 321 N.W.2d 6 (Iowa 1982). Ms. Oakley was discharged for claiming reimbursements the employer felt she was not entitled to receive. The crux of the employer's contention is that the bulk of the reimbursement was for items covered by the relocation allowance.

Ms. Oakley's territory was the Chicago area but she lived in Des Moines. The employer felt the travel to and from Des Moines, and related expenses, were covered by the relocation allowance as she would not have had those expenses had she lived in her territory. However, she was never told that the relocation allowance was, in part, to cover her travel expense from Des Moines to Chicago and back. Inasmuch as Ms. Oakley did not have notice that her travel to and from Des Moines for work-related purposes could not be claimed for reimbursement, her conduct in doing so was not an intentional disregard of the employer's standards or interests. Without knowing the specific destinations of all of her travel, the administrative law judge cannot conclude that the miles claimed were excessive and, therefore, not work-related. Ms. Oakley was likewise not made aware that food purchased in conjunction with travel to and from Des Moines should not be on the company credit card because it was covered by the relocation allowance. The food purchases were made in conjunction with work-related trips to the Chicago area.

Ms. Oakley had not received any warnings regarding her expense claims or her credit card usage. Her requests for reimbursement were based on a good-faith belief that she was entitled to the same reimbursements as any other Clarke employee traveling for business purposes. The employer knew she was still living in Des Moines until her apartment lease expired at the end of September. The employer could have advised her that any travel expenses between her home in Des Moines and her territory were included in the relocation allowance and should not be submitted for reimbursement or paid for with the company credit card. For the reasons stated herein, the administrative law judge concludes that the employer has failed to establish that Ms. Oakley deliberately and intentionally acted in a manner she knew to be contrary to the employer's standards or interests. While the employer may have had good cause to discharge, conduct that might warrant a discharge from employment will not necessarily support a disqualification from job insurance benefits. Budding v. Iowa Department of Job Service, 337 N.W.2d 219 (Iowa 1983). Based on the foregoing, benefits are allowed.

DECISION:

The representative's decision dated September 20, 2006, reference 01, is hereby affirmed. Ms. Oakley was discharged by Clarke but misconduct has not been established. Benefits are allowed, provided she satisfies all other conditions of eligibility.

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Carolyn F. Coleman
Administrative Law Judge

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Decision Dated and Mailed

cfc/pjs