

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

**DEBRA S HALFPOP**  
Claimant

**NORTH IOWA WOOD PRODUCTS INC**  
Employer

**APPEAL 17A-UI-01968-JCT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 12/25/16  
Claimant: Respondent (5)**

Iowa Code § 96.5(7) – Receipt of Vacation Pay/PTO

**STATEMENT OF THE CASE:**

The employer filed an appeal from the February 17, 2017, (reference 03) unemployment insurance decision that allowed reduced benefits to the claimant for the week ending December 31, 2016, due to the receipt of vacation pay. The parties were properly notified about the hearing. A telephone hearing was held on March 15, 2017. The claimant participated personally. The employer participated through Julie Haugen, office manager. Employer Exhibit 1 was received into evidence. The administrative law judge took official notice of the administrative records including the fact-finding documents. Based on the evidence, the arguments presented, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

**ISSUES:**

Did the claimant receive vacation pay or PTO at separation?  
Is that amount deductible from benefits, and if so, for what period?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant is employed full-time as a production worker. The claimant was temporarily laid off December 25 through 31, 2016. She received no vacation pay, or wages. The employer paid her \$98.00 representing 8 hours of work, based upon a rate of pay at \$12.25 per hour. The employer inadvertently reported the claimant received vacation pay in the amount of \$98.00 when responding to her claim for benefits. The claimant did not complete her weekly continued claim for unemployment insurance benefits for the week ending December 31, 2016 and did not receive any payments of unemployment insurance benefits.

**REASONINGS AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes the claimant did not receive vacation pay. The claimant did receive holiday pay. The claimant did not file a weekly continued claim for December 31, 2016, so no deductions were necessary to calculate.

Payments for unused vacation pay must be deducted from unemployment insurance benefits under the following conditions: (1) the employer reports the amount of vacation pay and designates the dates to which the vacation pay applies within ten days after receiving the notice of claim form and (2) the claimant claims benefits during a week the employer designates for vacation pay. If an employer does not designate the dates to which vacation pay applies within the ten-day deadline, the unused vacation pay must be divided by five and applied to the first five working days after the claimant's last day of work. If the amount of vacation pay applied to a week is less than the claimant's weekly benefit amount, the claimant will receive an amount equal to the weekly benefit amount minus the vacation pay applied to the week. Iowa Code § 96.5-7.

The undisputed evidence is the claimant was not paid vacation pay, but rather holiday pay for the week ending December 31, 2016, while on temporary layoff. The employer's designation of the holiday as vacation pay was due to clerical error. The claimant did receive holiday pay in the amount of \$98.00, representing eight hours of work, at a rate of pay of \$12.25 per hour. Because the claimant did not complete her weekly continued claim for December 31, 2016, and did not receive any benefits for the week in question, no calculation of the impact of holiday pay with regard to payments received is necessary. Therefore, the administrative law judge concludes the claimant was not paid vacation pay, but did receive holiday pay for the week ending December 31, 2016.

**DECISION:**

The February 17, 2017, (reference 03) decision is modified with no change in effect. The claimant did not receive vacation pay. The claimant did receive holiday pay but did not claim benefits for the week ending December 31, 2016, so no calculation or deduction of benefits is necessary.

---

Jennifer L. Beckman  
Administrative Law Judge

---

Decision Dated and Mailed

jlb/rvs