

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**SHONNA N MILES**

Claimant

**APPEAL NO: 13A-UI-01922-DWT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**SHANER OPERATING CORP**

Employer

**OC: 01/13/13**

**Claimant: Respondent (2/R)**

Iowa Code § 96.5(2)a - Discharge

**PROCEDURAL STATEMENT OF THE CASE:**

The employer appealed a representative's February 13, 2013 determination (reference 01) that held the claimant qualified to receive benefits and the employer's account subject to charge because the claimant had been discharged for nondisqualifying reasons. The claimant participated in the hearing. Aaron Heyer, a Corporate Cost Control representative, appeared on the employer's behalf. Sondra Rivera, the director of human resources, and John Andres, the executive chef, testified on the employer's behalf. Lindsay Wolvek was present to testify on the employer's behalf. During the hearing, Employer Exhibits One through Three were offered and admitted as evidence. Based on the evidence, the arguments of the parties, and the law, the administrative law judge concludes the claimant is not qualified to receive benefits.

**ISSUE:**

Did the employer discharge the claimant for reasons constituting work-connected misconduct?

**FINDINGS OF FACT:**

The claimant started working for the employer in October 1996. During her employment, the claimant has worked as a manager. Managers are required to know and understand the employer's policies. When the claimant's employment ended she was working as a full time morning server. Prior to January 2, 2013, the claimant's job was not in jeopardy.

On January 2, the claimant worked by herself in the coffee shop. When a customer ordered coffee, the claimant filled the order and then was supposed to input the transaction in the cash register so the customer could pay for the coffee. During the claimant's shift on January 2, she had 16 customers order coffee, but she only entered three customer orders into the cash register. The three transactions were paid by debit or a credit card.

The employer reviewed the video (Employer Exhibit Three) of the coffee shop after the claimant did not deposit any money from coffee sales that morning and the cash register did not have any money from coffee sales the morning of January 2.

The employer has a program where the coffee server can give complimentary coffee to guests or customers. The procedure to follow when complimentary coffee is given is to input the transaction into the cash register. An employee must also complete paperwork to report why the complimentary coffee had been given. The claimant asserted she gave away free coffee to five customers. She did not follow the employer's procedure because she did not complete any paperwork or input these 5 transactions or the other eight transactions into the computer that morning.

On January 5, 2013, the employer suspended the claimant for failing to input 13 transactions on January 2. (Employer Exhibit Two.) On January 8, 2013, the employer discharged the claimant because her failure to follow the proper procedures on January 2, 2013, resulted in a loss of money for the employer.

### **REASONING AND CONCLUSIONS OF LAW:**

A claimant is not qualified to receive unemployment insurance benefits if an employer discharges her for reasons constituting work-connected misconduct. Iowa Code § 96.5(2)a. The law defines misconduct as:

1. A deliberate act and a material breach of the duties and obligations arising out of a worker's contract of employment.
2. A deliberate violation or disregard of the standard of behavior the employer has a right to expect from employees. Or
3. An intentional and substantial disregard of the employer's interests or of the employee's duties and obligations to the employer.

Inefficiency, unsatisfactory conduct, unsatisfactory performance due to inability or incapacity, inadvertence or ordinary negligence in isolated incidents, or good faith errors in judgment or discretion do not amount to work-connected misconduct. 871 IAC 24.32(1)(a).

Since the claimant has worked for the employer since 1996 and has worked as a manager, she knew or should have known the employer required employees to input all transactions into the computer. The claimant also knew or should have known that if she gave complimentary coffee to guests or customers, she still needed to input that transaction into the cash register and then complete paperwork explaining why she gave the coffee to the guest at no charge.

The claimant knew how to input transactions because she entered three transactions when a customer paid by a credit or debit card. Since she failed to enter 13 transactions and did not complete any of the necessary documentation when complimentary coffee was given to a customer, the evidence establishes that her conduct on January 2 amounts to a substantial and intentional disregard of the employer's interests. Even though the claimant's job was not in jeopardy prior to January 2, her January 2 conduct amounts to work-connected misconduct. Therefore, as of January 13, 2013, the claimant is not qualified to receive benefits.

The issue of overpayment or whether the claimant is eligible for a waiver of any overpayment of benefits she may have received since January 13, 2013, will be remanded to the Claims Section to determine.

**DECISION:**

The representative's February 13, 2013 determination (reference 01) is reversed. The employer discharged the claimant for reasons constituting work-connected misconduct. The claimant is disqualified from receiving unemployment insurance benefits as of January 13, 2013. This disqualification continues until she has been paid ten times her weekly benefit amount for insured work, provided she is otherwise eligible. The employer's account will not be charged. The issues of overpayment and waiver of overpayment are **Remanded** to the Claims Section to determine.

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Debra L. Wise  
Administrative Law Judge

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Decision Dated and Mailed

dlw/pjs