

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**STACEY R SMRECEK**  
Claimant

**APPEAL NO: 12A-UI-13818-DWT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**WELLS FARGO BANK NA**  
Employer

**OC: 10/28/12**  
**Claimant: Respondent (1)**

Iowa Code § 96.5(2)a - Discharge

**PROCEDURAL STATEMENT OF THE CASE:**

The employer appealed a representative's November 15, 2012 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. Loring Lincoln represented the employer and Jessica Kazos, the store manager, testified on the employer's behalf. Based on the evidence, the arguments of the parties, and the law, the administrative law judge finds the claimant 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 January 2010. She worked as a service manager and supervised other tellers. Kazos supervised the claimant.

On June 12, 2012, the employer learned that the day before, the claimant failed to accurately document in a key book, a security log, when keys were given out or returned. When keys are given out or returned, the day this occurs is supposed to be recorded in the key book. If the entry is not made in the key book that day, the date an employee records this event should be recorded in the key book. On June 11, the claimant recorded an employee returned keys on June 1 and on June 4 she reported she gave keys to an employee when the keys were actually given on May 30. The claimant put down the date she wrote in the log book not the date keys were given out or returned. She should have noted keys were returned on 6-1 and recorded on 6-11. The way the claimant completed the key book violated the employer's code of ethics.

The claimant usually completed the key book entries on the day keys were given out or returned. On June 1, a Friday, the claimant was busy and did not get an opportunity to complete the key book. It was an oversight on her part for not completing the key book until June 11.

After the claimant made the key book entries, she talked to the employer's Market Support Consultant and explained why she had completed the key book log the way she had. The claimant thought the dates in the log should match when the event occurred. The Market Support Coordinator told the claimant this was incorrect and in the future the dates in the key book had to match the date it was written in the log.

When the claimant talked to the district manager, she told him she took responsibility for failing to accurately record the dates in the key book log. Even though the claimant's job was not in jeopardy before this incident, the employer discharged her for violating the employer's policy. The employer concluded the claimant intentionally falsified a security log.

### **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 employer has the burden to prove the claimant was discharged for work-connected misconduct as defined by the unemployment insurance law. *Cosper v. Iowa Department of Job Service*, 321 N.W.2d 6 (Iowa 1982). The propriety of a discharge is not at issue in an unemployment insurance case. An employer may be justified in discharging an employee, but the employee's conduct may not amount to misconduct precluding the payment of unemployment compensation. The law limits disqualifying misconduct to willful wrongdoing or repeated carelessness or negligence that equals willful misconduct in culpability. *Lee v. Employment Appeal Board*, 616 N.W.2d 661, 665 (Iowa 2000).

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).

The employer established justifiable business reasons for discharging the claimant. Since a former store manager previously questioned how to properly date a signature in the key book, the employer assumed the claimant understood she was to record the date she actually wrote in the key book instead of noting the date of the event. The evidence indicates the employer made an incorrect assumption.

The claimant took responsibility for making an error in the key book, but when she made the incorrect entries, the evidence indicates she believed she did this correctly. Even though the claimant was in management, as the tellers' supervisor, she usually completed the key book entry on the date keys were handed out or returned. The claimant used poor judgment when she failed to ask her supervisor or another manager how to correctly complete the key book entry that she was unsure about. The evidence does not support the employer's assertion that the claimant intentionally and substantially disregarded the employer's interests. The facts do not establish that the claimant committed work-connected misconduct. As of October 28, 2012, the claimant is qualified to receive benefits.

**DECISION:**

The representative's November 15, 2012 determination (reference 01) is affirmed. The employer discharged the claimant for justifiable business reasons, but the claimant did not commit work-connected misconduct. As of October 28, 2012, the claimant is qualified to receive benefits, provided she meets all other eligibility requirements. The employer's account is subject to charge.

---

Debra L. Wise  
Administrative Law Judge

---

Decision Dated and Mailed

dlw/css