

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

KATHLEEN A GRIFFIN
Claimant

APPEAL NO: 10A-UI-05824-DWT

**ADMINISTRATIVE LAW JUDGE
DECISION**

RUPPERT'S ACE HARDWARE
Employer

**OC: 03/14/10
Claimant: Appellant (1)**

Section 96.5-2-a - Discharge

STATEMENT OF THE CASE:

The claimant appealed a representative's April 13, 2010 decision (reference 01) that disqualified the claimant from receiving benefits and held the employer's account exempt from charge because the claimant had been discharged for disqualifying reasons. A telephone hearing was held on May 24, 2010. The claimant did not respond to the hearing notice or participate in the hearing. Nicholas Ruppert, Dori Meyer and Ronda Ruppert appeared on the employer's behalf. Based on the evidence, the arguments of the employer, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

ISSUE:

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

FINDINGS OF FACT:

The claimant started working for the employer in June 2007. She worked as a full-time associate. Part of her job involved working with the employer's reward program. Employees received a reward card but could not accumulate reward points because they received an employee discount.

Typically, customers receive a \$5.00 or \$10.00 reward card for points accumulated on the rewards program. On March 15, when Rhonda Ruppert worked on the books at the end of the day, she noticed a \$30.00 reward card had been used by the claimant's son. Since this was an unusually high amount, the employer checked with the corporate office to find out why this amount was so high.

The employer learned that in December or January points from two cards the claimant had and points from two cards in the claimant's son name were all transferred to a new card. The transfer request had been made by an employee who used the employer's computer and Internet access. The employer also learned that on March 15 someone had called the corporate office and reported they had misplaced or lost a \$30.00 reward card. Since the corporate office did not notice a \$30.00 reward card had already been issued, another \$30.00 Reward Card was issued to the claimant's son.

When the employer talked to the claimant on March 16, 2010 she denied any knowledge about transferring points from two cards issued to her to a new card. The employer suspended the claimant on March 16, 2009. On March 18, 2010, the employer discharged the claimant after concluding she committed fraud against the employer's Reward Program.

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 section 96.5-2-a. For unemployment insurance purposes, misconduct amounts to a deliberate act and a material breach of the duties and obligations arising out of a worker's contract of employment. Misconduct is a deliberate violation or disregard of the standard of behavior the employer has a right to expect from employees or is 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 are not deemed to constitute work-connected misconduct. 871 IAC 24.32(1)(a).

Based on the evidence presented during the hearing, the employer discharged the claimant for work-connected misconduct by manipulating Reward points so her son received a \$30.00 Reward card. As of March 14, 2010, the claimant is not qualified to receive benefits.

DECISION:

The representative's April 13, 2010 decision (reference 01) is affirmed. The employer discharged the clamant for reasons constituting work-connected misconduct. The claimant is disqualified from receiving unemployment insurance benefits as of March 14, 2010. This disqualification continues until she has been paid ten times her weekly benefit amount for insured work, provided she is otherwise eligible. The employers' account will not be charged.

Debra L. Wise
Administrative Law Judge

Decision Dated and Mailed

dlw/pjs