

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**LETA WOOD**  
Claimant

**APPEAL NO. 07A-UI-03269-SWT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**DPK INC**  
Employer

**OC: 03/04/07 R: 01**  
**Claimant: Respondent (2)**

Section 96.5-1 - Voluntary Quit

**STATEMENT OF THE CASE:**

The employer appealed an unemployment insurance decision dated March 23, 2007, reference 01, that concluded the claimant voluntarily quit employment with good cause attributable to the employer. A telephone hearing was held on April 16, 2007. The parties were properly notified about the hearing. The claimant participated in the hearing. Laurie Mullen participated in the hearing on behalf of the employer with witnesses, Laura Boughey and John Gilbert.

**ISSUE:**

Did the claimant voluntarily quit employment without good cause attributable to the employer?

**FINDINGS OF FACT:**

The claimant worked for the employer from June 30, 2003, to March 5, 2007. The claimant worked as a swing manager, and then in 2005 was promoted to the position of assistant manager. As assistant manager, the claimant was paid a salary of \$24,000.00 (\$11.54 per hour) and the employer contributed \$250.00 per month toward health insurance.

On February 26, 2007, the store manager, Laurie Mullens counseled the claimant after the claimant had informed Mullens that she had left work at 4:45 p.m. but she had actually left before 4:00 p.m. When Mullens told the claimant that, as a salaried manager, she was required to work 45 hours per week, the claimant replied that she did not know whether she wanted to be an assistant manager anymore. She was under stress and was unsure that she wanted the responsibility of being an assistant manager. Mullens told the claimant that she needed to decide what she wanted to do, whether to continue as assistant manager or step down.

On March 3, 2007, the claimant told Mullens that she wanted to step down as assistant manager and go back to the swing manager job. Mullen talked to her again on March 5. She told the claimant that she had talked to the owner, and she could step down to the swing manager position but would be paid \$8.00 per hour and lose her insurance benefit. The claimant said okay. Swing managers actually receive a \$100.00 per month contribution toward

insurance, but the claimant was unaware of that and did not ask any questions about the insurance that day.

The claimant decided that she could not afford the pay cut and loss of insurance benefit. On March 6, 2007, she told Mullens that she was quitting employment effectively immediately because she could not afford the cut in pay and loss of insurance. Mullens asked her to think about it and give two-weeks notice so she would be eligible for rehire, but the claimant voluntarily quit employment immediately. She did not ask the employer whether she could continue as assistant manager. The employer had not replaced the claimant and would have considered allowing her to stay as assistant manager.

The claimant filed for and received a total of \$1,500.00 in unemployment insurance benefits for the weeks between March 4 and April 14, 2007.

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

The issue in this case is whether the claimant voluntarily quit employment without good cause attributable to the employer.

Iowa Code section 96.5-1 provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

The claimant voluntarily quit employment without good cause attributable to the employer. She stepped down knowing that it would result in a pay cut and loss of insurance. She accepted that on March 5 and then changed her mind on March 6. She quit without notice and without asking the employer if she could continue working as assistant manager, which would have allowed her to maintain her salary and benefits.

The next issue in this case is whether the claimant was overpaid unemployment insurance benefits.

Iowa Code section 96.3-7 provides:

7. Recovery of overpayment of benefits. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

As a result of this decision, the claimant is disqualified from receiving unemployment insurance benefits and was overpaid \$1,500.00 in benefits for the weeks between March 4 and April 14, 2007.

**DECISION:**

The unemployment insurance decision dated March 23, 2007, reference 01, is reversed. The claimant is disqualified from receiving unemployment insurance benefits until she has been paid wages for insured work equal to ten times her weekly benefit amount, provided she is otherwise eligible. The claimant was overpaid \$1,500.00 in unemployment insurance benefits, which must be repaid.

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Steven A. Wise  
Administrative Law Judge

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Decision Dated and Mailed

saw/kjw