### IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

DUSTIN L MOORE Claimant

# APPEAL NO: 13A-UI-01674-DT

ADMINISTRATIVE LAW JUDGE DECISION

**REBITRZER'S BAR & GRILL LLC** Employer

> OC: 01/06/13 Claimant: Respondent (2/R)

Section 96.5-2-a – Discharge Section 96.3-7 – Recovery of Overpayment of Benefits

### STATEMENT OF THE CASE:

Rebitrzer's Bar & Grill, L.L.C. (employer) appealed a representative's February 7, 2013 decision (reference 01) that concluded Dustin L. Moore (claimant) was qualified to receive unemployment insurance benefits after a separation from employment. After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on March 12, 2013. The claimant participated in the hearing. Joe Schulte appeared on the employer's behalf and presented testimony from two other witnesses, Amy Behnke and Amy Tobe. Based on the evidence, the arguments of the parties, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

#### **ISSUE:**

Was the claimant discharged for work-connected misconduct?

#### OUTCOME:

Reversed. Benefits denied.

#### FINDINGS OF FACT:

The claimant started working for the employer on May 18, 2012. He worked 35 - 40 hours per week as a bartender. His last day of work was November 8, 2012. The employer discharged him on November 12, 2012. The stated reason for the discharge was continued problems after various warnings.

On or about October 21 the claimant, the last person out at the end of the night, left the building's doors and the safe unlocked; he was given a written warning for this. There were some further issues after that date with issues such as cell phone usage and leaving the cash drawer open during the shift. After the claimant worked the shift on the night of November 8, when the employer came in to work the next morning, November 9, the building's back door was again not locked. As a result, the employer determined to discharge him, which it did on November 12.

The claimant established a claim for unemployment insurance benefits effective January 6, 2013. The claimant has received unemployment insurance benefits after the separation.

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

A claimant is not qualified to receive unemployment insurance benefits if an employer has discharged the claimant for reasons constituting work-connected misconduct. Iowa Code § 96.5-2-a. Before a claimant can be denied unemployment insurance benefits, the employer has the burden to establish the claimant was discharged for work-connected misconduct. *Cosper v. IDJS*, 321 N.W.2d 6 (Iowa 1982); Iowa Code § 96.5-2-a.

In order to establish misconduct such as to disqualify a former employee from benefits an employer must establish the employee was responsible for a deliberate act or omission which was a material breach of the duties and obligations owed by the employee to the employer. 871 IAC 24.32(1)a; *Huntoon v. Iowa Department of Job Service*, 275 N.W.2d 445 (Iowa 1979); *Henry v. Iowa Department of Job Service*, 391 N.W.2d 731, 735 (Iowa App. 1986). The conduct must show a willful or wanton disregard of an employer's interest as is found in deliberate violation or disregard of standards of behavior which the employer has the right to expect of employees, or in carelessness or negligence of such degree of recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer's interests or of the employee's duties and obligations to the employer. 871 IAC 24.32(1)a; *Huntoon*, supra; *Henry*, supra. In contrast, mere inefficiency, unsatisfactory conduct, failure in good performance as the result of inability or incapacity, inadvertencies or ordinary negligence in isolated instances, or good faith errors in judgment or discretion are not to be deemed misconduct within the meaning of the statute. 871 IAC 24.32(1)a; *Huntoon*, supra; *Newman v. Iowa Department of Job Service*, 351 N.W.2d 806 (Iowa App. 1984).

The claimant's repeated failure to lock the building's doors after being warned shows a willful or wanton disregard of the standard of behavior the employer has the right to expect from an employee, as well as an intentional and substantial disregard of the employer's interests and of the employee's duties and obligations to the employer. The employer discharged the claimant for reasons amounting to work-connected misconduct.

The unemployment insurance law provides that benefits must be recovered from a claimant who receives benefits and is later determined to be ineligible for benefits, even though the claimant acted in good faith and was not otherwise at fault. However, the overpayment will not be recovered when it is based on a reversal on appeal of an initial determination to award benefits on an issue regarding the claimant's employment separation if: (1) the benefits were not received due to any fraud or willful misrepresentation by the claimant and (2) the employer did not participate in the initial proceeding to award benefits. The employer will not be charged for benefits whether or not the overpayment is recovered. Iowa Code § 96.3-7. In this case, the claimant has received benefits but was ineligible for those benefits. The matter of determining the amount of the overpayment and whether the claimant is eligible for a waiver of overpayment under Iowa Code § 96.3-7-b is remanded the Claims Section.

## **DECISION:**

The representative's February 7, 2013 decision (reference 01) is reversed. The employer discharged the claimant for disqualifying reasons. The claimant is disqualified from receiving unemployment insurance benefits as of November 12, 2012. This disqualification continues until the claimant has been paid ten times his weekly benefit amount for insured work, provided he is otherwise eligible. The employer's account will not be charged. The matter is remanded to the Claims Section for investigation and determination of the overpayment issue.

Lynette A. F. Donner Administrative Law Judge

Decision Dated and Mailed

ld/pjs