

IOWA WORKFORCE DEVELOPMENT
Unemployment Insurance Appeals Section
1000 East Grand—Des Moines, Iowa 50319
DECISION OF THE ADMINISTRATIVE LAW JUDGE
68-0157 (7-97) – 3091078 - EI

ZACH C MORTENSEN
523 S 11TH AVE W
NEWTON IA 50208

WAL-MART STORES INC
c/o FRICK UC EXPRESS
PO BOX 283
ST LOUIS MO 63166-0283

Appeal Number: 05A-UI-00652-HT
OC: 12/19/04 R: 02
Claimant: Respondent (02)

This Decision Shall Become Final, unless within fifteen (15) days from the date below, you or any interested party appeal to the Employment Appeal Board by submitting either a signed letter or a signed written Notice of Appeal, directly to the **Employment Appeal Board, 4th Floor—Lucas Building, Des Moines, Iowa 50319**.

The appeal period will be extended to the next business day if the last day to appeal falls on a weekend or a legal holiday.

STATE CLEARLY

1. The name, address and social security number of the claimant.
2. A reference to the decision from which the appeal is taken.
3. That an appeal from such decision is being made and such appeal is signed.
4. The grounds upon which such appeal is based.

YOU MAY REPRESENT yourself in this appeal or you may obtain a lawyer or other interested party to do so provided there is no expense to Workforce Development. If you wish to be represented by a lawyer, you may obtain the services of either a private attorney or one whose services are paid for with public funds. It is important that you file your claim as directed, while this appeal is pending, to protect your continuing right to benefits.

(Administrative Law Judge)

(Decision Dated & Mailed)

Section 96.5-2-a – Discharge
Section 96.3-7 – Overpayment

STATEMENT OF THE CASE:

The employer, Wal-Mart, filed an appeal from a decision dated January 7, 2005, reference 01. The decision allowed benefits to the claimant, Zach Mortensen. After due notice was issued a hearing was held by telephone conference call on February 3, 2005. The claimant participated on his own behalf. The employer participated by Store Manager Lee Stump. Exhibits One and Two were admitted into the record.

FINDINGS OF FACT:

Having heard the testimony of the witnesses and having examined all of the evidence in the record, the administrative law judge finds: Zach Mortensen was employed by Wal-Mart from November 2 until December 17, 2004. He was a member of the inventory control team. At the time of hire, the claimant received a copy of the employer's drug and alcohol abuse policy.

On the evening of December 17, 2004, Store Manager Lee Stump received a call from another associate who was leaving the store after clocking out. She reported there were Wal-Mart associates out in the back of the store, behind some empty pallets, smoking marijuana. Mr. Stump investigated personally, getting as close as two feet from Mr. Mortensen before the claimant saw him. The manager saw another associate and the claimant taking marijuana from a clear plastic bag and rolling it into cigarette papers. Mr. Stump recognized marijuana from his own personal experience, and asked the two individuals if they were clocked out. When they said they were, he told them to go home, which they did.

The manager then contacted his district manager and consulted with the corporate legal department. The decision was made to discharge the claimant and Mr. Stump notified him of that the next day by telephone. At that time Mr. Mortensen stated it was not marijuana, but a substance known as "dogma" which he purchased off the Internet. The other associate made no such claims. The claimant asked to take a drug test, but he was never seen smoking the marijuana by the manager, only having it in his possession, which is also a dischargeable offense under the company policy.

The claimant was participating from a cordless phone which was not properly charged. The claimant lost the connection after he did cross-examination of the employer and was not reestablished by the time the record was closed at 9:19 a.m.

Zach Mortensen has received unemployment benefits since filing a claim with an effective date of December 19, 2004.

REASONING AND CONCLUSIONS OF LAW:

The issue is whether the claimant is disqualified. The judge concludes he is.

Iowa Code section 96.5-2-a provides:

An individual shall be disqualified for benefits:

2. Discharge for misconduct. If the department finds that the individual has been discharged for misconduct in connection with the individual's employment:

a. The individual shall be disqualified for benefits until the individual has worked in and has been paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.

871 IAC 24.32(1)a provides:

Discharge for misconduct.

(1) Definition.

a. "Misconduct" is defined as a deliberate act or omission by a worker which constitutes a material breach of the duties and obligations arising out of such worker's contract of employment. Misconduct as the term is used in the disqualification provision as being limited to conduct evincing such 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. On the other hand 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.

This definition has been accepted by the Iowa Supreme Court as accurately reflecting the intent of the legislature. Huntoon v. Iowa Department of Job Service, 275 N.W.2d 445, 448 (Iowa 1979).

The employer has provided firsthand, eyewitness testimony regarding the claimant's possession of a controlled substance while on duty and on company property. Although the claimant maintained he had been using something called "dogma" he did not provide any evidence to support the contention that such a substance actually exists. He also did not indicate why he offered this explanation to the employer only at the time he was being fired and not when he was first suspended.

The use of controlled substances is a direct violation of the company policy and constitutes a hazard to the health and safety of other employees. It is conduct not in the best interests of the employer and the claimant is disqualified.

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.

If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

The claimant has received unemployment benefits to which he is not entitled. These must be recovered in accordance with the provisions of Iowa law.

DECISION:

The representative's decision of January 7, 2005, reference 01, is reversed. Zach Mortensen is disqualified and benefits are withheld until he has earned ten times his weekly benefit amount, provided he is otherwise eligible. He is overpaid in the amount of \$732.00.

bgh/sc