

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

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**SYDNEE J STECKLY**  
Claimant

**LIONHEART EARLY LEARNING INC**  
Employer

**APPEAL 21A-UI-13840-LJ-T**  
**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 09/06/20**  
**Claimant: Appellant (2)**

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Iowa Code § 96.5(2)a – Discharge from Employment

**STATEMENT OF THE CASE:**

On June 8, 2021, claimant Sydnee J. Steckly filed an appeal from the June 2, 2021 (reference 01) unemployment insurance decision that denied unemployment insurance benefits based on a determination that claimant was discharged from employment for conduct not in the best interest of her employer. The parties were properly notified of the hearing. A telephonic hearing was held at 9:00 a.m. on Friday, August 13, 2021. The claimant, Sydnee J. Steckly, participated. The employer, Lionheart Early Learning, Inc., participated through Vickie Brandenburg, Owner. Claimant's Exhibit A was received and admitted into the record without objection.

**ISSUE:**

Was the claimant discharged from employment due to disqualifying, job-related misconduct?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed full time, most recently as a childcare provider, from January 21, 2020, until April 5, 2021, when she was discharged for harassment.

On Friday, April 2, two employees reported to supervisor Angela Solis that claimant had been making racist comments to them. These comments included remarks about their skin, their boyfriends' skin, anti-racist children's books, and employees' names. Solis immediately reported this to daycare director Haley Smith.

The following Monday, April 5, Smith brought the two employees into her office to confirm their stories and to write statements. That same day, three additional employees gave statements regarding racist comments from claimant. All five employees expressed to Smith that they intended to quit if claimant was not removed from the workplace.

Smith then brought claimant in to talk to her about the allegations. Claimant denied the allegations entirely. She believes the other employees do not like her because she had a falling out with one of them, a former friend, and because she voted for Donald Trump in the last

election. The employer discharged her from employment. Claimant had never been warned for similar conduct in the past.

**REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes claimant was discharged from employment for no disqualifying reason. Benefits are allowed, provided claimant is otherwise eligible.

Iowa Code § 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.

Iowa Admin. Code r. 871-24.32(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 Dep't of Job Serv.*, 275 N.W.2d 445, 448 (Iowa 1979).

Iowa Admin. Code r. 871-24.32(4) provides:

(4) Report required. The claimant's statement and the employer's statement must give detailed facts as to the specific reason for the claimant's discharge. Allegations of misconduct or dishonesty without additional evidence shall not be sufficient to result in disqualification...

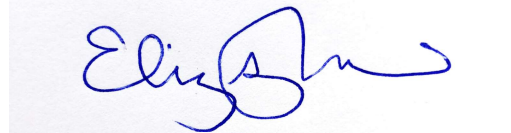
It is the duty of the administrative law judge as the trier of fact in this case, to determine the credibility of witnesses, weigh the evidence and decide the facts in issue. *Arndt v. City of LeClaire*, 728 N.W.2d 389, 394-395 (Iowa 2007). The administrative law judge may believe all, part or none of any witness's testimony. *State v. Holtz*, 548 N.W.2d 162, 163 (Iowa App. 1996). In assessing the credibility of witnesses, the administrative law judge should consider the evidence using his or her own observations, common sense and experience. *Id.* In determining the facts, and deciding what testimony to believe, the fact finder may consider the following factors: whether the testimony is reasonable and consistent with other believable evidence; whether a witness has made inconsistent statements; the witness's appearance, conduct, age, intelligence, memory and knowledge of the facts; and the witness's interest in the trial, their motive, candor, bias and prejudice. *Id.*

After assessing the credibility of the witnesses who testified during the hearing, considering the applicable factors listed above, and using her own common sense and experience, the administrative law judge finds the claimant presented credible, firsthand testimony during the hearing. The employer, in contrast, relied entirely on secondhand information. The employer had access to firsthand witnesses and chose not to present them. It had possession of witness statements, but chose not to offer them for examination. While hearsay is certainly admissible in administrative hearings, it is not necessarily reliable when confronted with firsthand testimony to the contrary.

In an at-will employment environment an employer may discharge an employee for any number of reasons or no reason at all, provided the discharge is not contrary to public policy. However, if the employer fails to meet its burden of proof to establish job related misconduct as the reason for the separation, it incurs potential liability for unemployment insurance benefits related to that separation. Here, the employer did not meet its burden of proving that claimant was discharged from employment for disqualifying, job-related misconduct. Benefits are allowed, provided claimant is otherwise eligible.

**DECISION:**

The June 2, 2021 (reference 01) unemployment insurance decision is reversed. Claimant was discharged from employment for no disqualifying reason. Benefits are allowed, provided she is otherwise eligible. Any benefits claimed and withheld on this basis shall be paid.



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Elizabeth A. Johnson  
Administrative Law Judge  
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August 18, 2021  
Decision Dated and Mailed

lj/kmj