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

RODNEY J WACHTER 1419 THUL ST BURLINGTON IA 50601

BIG SUR WATERBEDS INC ^c/_o EMPLOYERS UNITY INC PO BOX 749000 ARVADA CO 80006-9000

Appeal Number:05A-UI-03060-DTOC:02/20/05R:Otaimant:Appellant (2)

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

STATEMENT OF THE CASE:

Rodney J. Wachter (claimant) appealed a representative's March 22, 2005 decision (reference 01) that concluded he was not qualified to receive unemployment insurance benefits after a separation from employment with Big Sur Waterbeds, Inc. (employer). After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on March 22, 2005. The claimant participated in the hearing. Nick Christofer of Employer's Unity appeared on the employer's behalf and presented testimony from one witness, Kevin Mercer. 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?

FINDINGS OF FACT:

The claimant started working for the employer on March 5, 2004. He worked full time as a sales and service representative in the employer's Burlington, Iowa store. His last day of work was February 21, 2005. The employer discharged him on that date. The reason asserted for the discharge was not being at his place of duty at the prescribed time.

The claimant previously had some tardies for which he had received warnings, including a written warning on January 2, 2005. The employer normally posted the schedule several weeks in advance. For Monday, February 21, 2005, the claimant had originally been scheduled off. On Saturday, February 19, 2005, the employer changed the schedule so that the claimant was scheduled to work. On or about February 20, 2005, the employer distributed a memo informing all employees that due to a special promotion, all staff would work on February 21, 2005. The store was scheduled to open. The claimant arrived at approximately 8:45 a.m. On a normal business day, arriving at work 15 minutes before the store opened would be acceptable. The employer informed him that he was late, that he was supposed to be at the store at 8:00 a.m. to assist in unloading a truck. The employer provided second hand information that the claimant had been advised that he was to be at the store at 8:00 a.m. to assist with unloading the truck and that he had affirmatively made statements to coworkers that he would not be there. The claimant denied being advised that he was to be at the store by 8:00 a.m. and denied that he had made statements to anyone that he knew he was to be there by 8:00 a.m. but would not be.

REASONING AND CONCLUSIONS OF LAW:

The issue in this case is whether the employer discharged the claimant for reasons establishing work-connected misconduct as defined by the unemployment insurance law. The issue is not whether the employer was right to terminate the claimant's employment, but whether the claimant is entitled to unemployment insurance benefits. <u>Infante v. IDJS</u>, 364 N.W.2d 262 (Iowa App. 1984). What constitutes misconduct justifying termination of an employee and what is misconduct that warrants denial of unemployment insurance benefits are two separate questions. <u>Pierce v. IDJS</u>, 425 N.W.2d 679 (Iowa App. 1988).

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. <u>Cosper v. IDJS</u>, 321 N.W.2d 6 (Iowa 1982).

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. <u>Huntoon v. Iowa Department of Job Service</u>, 275 N.W.2d 445, 448 (Iowa 1979).

The focus of the definition of misconduct is on acts or omissions by a claimant that "rise to the level of being deliberate, intentional or culpable." <u>Henry v. Iowa Department of Job Service</u>, 391 N.W.2d 731, 735 (Iowa App. 1986). The acts must show:

- 1. Willful and wanton disregard of an employer's interest, such as found in:
 - a. Deliberate violation of standards of behavior that the employer has the right to expect of its employees, or

b. Deliberate disregard of standards of behavior the employer has the right to expect of its employees; or

- 2. Carelessness or negligence of such degree of recurrence as to:
 - a. Manifest equal culpability, wrongful intent or evil design; or
 - b. Show an intentional and substantial disregard of:
 - 1. The employer's interest, or
 - 2. The employee's duties and obligations to the employer.

<u>Henry</u>, supra. The reason cited by the employer for discharging the claimant is the claimant not being at the store by 8:00 a.m. on February 21, 2005 in order to assist in unloading the truck. In his first-hand testimony, the claimant denied being told to be at the store by 8:00 a.m. to assist with the truck or making comments to coworkers that he knew he was supposed to be there but would not be. No first-hand witness was available at the hearing to provide testimony to the contrary under oath and subject to cross-examination. The employer relies exclusively on second hand testimony from the store manager coming third hand through Mr. Mercer, the regional manager; however, without that information being provided first hand, the administrative law judge is unable to ascertain whether the store manager or coworkers are credible. Under the circumstances, the administrative law judge finds the claimant's first-hand information more credible. Under the store at 8:00 a.m. was at worst the result of inefficiency,

unsatisfactory conduct, inadvertence, or ordinary negligence, and was a good faith error in judgment or discretion. The employer has not met its burden to show disqualifying misconduct. <u>Cosper</u>, supra. Based upon the evidence provided, the claimant's actions were not misconduct within the meaning of the statute, and the claimant is not disqualified from benefits.

DECISION:

The representative's March 22, 2005 decision (reference 01) is reversed. The employer did discharge the claimant but not for disqualifying reasons. The claimant is qualified to receive unemployment insurance benefits, if he is otherwise eligible.

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