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

WILLIAM F BLUM 1084 VERNON ST DUBUQUE IA 52001

LOWE'S HOME CENTERS INC ^c/_o TALX UC EXPRESS PO BOX 283 ST LOUIS MO 63166-0283

Appeal Number:04A-UI-08200-LTOC: 06-20-04R: 04Claimant: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/Misconduct

STATEMENT OF THE CASE:

Claimant filed a timely appeal from the July 21, 2004, reference 01, decision that denied benefits. After due notice was issued, a hearing was held on August 19, 2004. Claimant did participate. Employer did participate through Mark Lawler and Debbie Schmidt observed.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed as a full-time sales clerk for 5 ½ years through June 19, 2004 when he was discharged. A mystery shopper entered the store and reported that an employee failed to greet them on June 4. The report was submitted to employer on June 15. The employer requires that employees meet, greet and acknowledge any customer he comes in contact with. The

mystery shopper did not indicate claimant's name or description as is usually done. Claimant works different shifts and there was no evidence he was working that day or that shift.

On November 3, 2003, Mark Lawler saw claimant walk by a customer without asking them if they need to be helped. Claimant told Lawler that he has diabetes and has short and urgent notice of the need to go to the restroom and he had already delayed going to wait on another customer. He was unable to stock his area on January 12 when he was working in two departments. On April 14 claimant looked for an item and reported on the inventory replenishment worksheet that he could not find it. A month later employer said it was located and issued a warning. Claimant had no warnings prior to Lawler becoming supervisor and had worked in another hardware store for 33 years without incident.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes claimant was discharged from employment for no disqualifying reason.

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 employer has the burden of proof in establishing disqualifying job misconduct. <u>Cosper v.</u> <u>Iowa Department of Job Service</u>, 321 N.W.2d 6 (Iowa 1982). The issue is not whether the employer made a correct decision in separating claimant, 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 misconduct warrants denial of unemployment insurance benefits are two separate decisions. <u>Pierce v. IDJS</u>, 425 N.W.2d 679 (Iowa App. 1988). Misconduct serious enough to warrant discharge is not necessarily serious enough to warrant a denial of job insurance benefits. Such misconduct must be "substantial." When based on carelessness, the carelessness must actually indicate a "wrongful intent" to be disqualifying in nature. <u>Newman v. Iowa Department of Job Service</u>, 351 N.W.2d 806 (Iowa App. 1984). Poor work performance is not misconduct in the absence of evidence of intent. <u>Miller v. Employment Appeal Board</u>, 423 N.W.2d 211 (Iowa App. 1988).

An employer may discharge an employee for any number of reasons or no reason at all, but if it fails to meet its burden of proof to establish job related misconduct as the reason for the separation, employer incurs potential liability for unemployment insurance benefits related to that separation. Inasmuch as the mystery shopper failed to adequately identify the employee as the claimant, employer failed to meet the burden of proof to establish misconduct. Furthermore, the prior incidents did not amount to misconduct as it was reasonable for claimant to attend the restroom given his medical condition rather than wait on a customer when he had already delayed going to the restroom while helping another customer. Warnings given a month after an allegation are not considered to constitute current notice and employer has not established that any of claimant's actions were related to intentional or deliberate conduct contrary to the best interests of employer. Given claimant's lack of discipline prior to the management change and his senior status and pay rate in personnel turnover, claimant is considered credible as to all issues. Benefits are allowed.

DECISION:

The July 21, 2004, reference 01, decision is reversed. Claimant was discharged from employment for no disqualifying reason. Benefits are allowed, provided claimant is otherwise eligible.

dml/kjf