IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

DAVID SCHMITT

Claimant

APPEAL NO. 06A-UI-05905-E

ADMINISTRATIVE LAW JUDGE DECISION

STARLIGHT CHRISTIAN CHURCH

Employer

OC: 06-12-05 R: 03 Claimant: Respondent (4R)

Section 96.5-1 – Voluntary Leaving

STATEMENT OF THE CASE:

The employer filed a timely appeal from the May 26, 2006, reference 05, decision that allowed benefits to the claimant. After due notice was issued, a hearing was held in Waterloo, Iowa, before Administrative Law Judge Julie Elder on October 2, 2006. The claimant participated in the hearing with Pastor Daniel Underwood. Roberta Slick and James Farley, Board Members, participated in the hearing on behalf of the employer.

ISSUE:

The issue is whether the claimant voluntarily left his employment with good cause attributable to the employer.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was the full-time senior minister for Starlight Christian Church from August 1, 2005 to April 13, 2006. The church separated from another congregation and was primarily funded by member Rick Shauf. The claimant became dissatisfied with Mr. Shauf's leadership of the church and confronted him about his conduct. He accused Mr. Shauf of being manipulative and controlling and said he was not spiritual because he did not pray or read the Bible enough. The claimant had a list of items he wanted to address with Mr. Shauf and left after doing so. Approximately one week later the claimant brought up more issues and Mr. Shauf decided to leave the church. Board Member James Farley confronted the claimant about some issues surrounding his leadership of the church and on April 19, 2006, the claimant submitted a letter of resignation stating he felt it was best if he no longer served as minister of the church. Later that week the claimant met with other church members and told them the church would probably cease to exist and advised that church property be given to other churches and the remaining financial resources be given to him. The church paid the claimant \$2,160.00 in severance pay because it felt the claimant and his family would experience a hardship otherwise. The claimant testified he did not believe he could work with Mr. Farley and was not sure the church could pay his wages.

The issue of whether the claimant is an independent contractor or an employee has not been adjudicated by the Tax Section.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant voluntarily left his employment without good cause attributable to the employer.

Iowa Code section 96.5-1 provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

In general, a voluntary quit means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer from whom the employee has separated. 871 IAC 24.25. Leaving because of unlawful, intolerable, or detrimental working conditions would be good cause. 871 IAC 24.26(3),(4). Leaving because of dissatisfaction with the work environment is not good cause. 871 IAC 24.25(1). The claimant has the burden of proving that the voluntary leaving was for good cause attributable to the employer. Iowa Code section 96.6-2. The claimant was unhappy with Mr. Shauf's leadership and confronted him about several issues. Mr. Shauf chose to leave the church and when board members approached the claimant about his own actions and leadership the claimant chose to leave rather than continue as the senior minister because he did not believe he could work with Mr. Farley and was not sure the church could pay him. While Mr. Farley may have been critical of the claimant, the evidence does not indicate his actions created unlawful, intolerable or detrimental working conditions anymore so than the claimant's actions did. Consequently, the administrative law judge concludes the claimant has not demonstrated that his leaving was for good cause attributable to the employer as defined by Iowa law.

Although the claimant is not eligible for benefits from Starlight Christian Church he is monetarily eligible for benefits based on full-time wages from base period employers.

The administrative law judge does not have jurisdiction over the issue of whether the claimant is an independent contractor or an employee. If the claimant is an independent contractor the conclusion reached in this decision becomes moot. If the claimant was in fact an employee, then under the decision reached herein it was a disqualifying separation. This issue is remanded to the Tax Section for an initial investigation and determination.

DECISION:

The May 26, 2006, reference 05, decision is reversed. The claimant voluntarily left his employment without good cause attributable to the employer but is otherwise monetarily eligible.

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Therefore, benefits are allowed from base period employers, provided the claimant is otherwise eligible. The issue of whether the claimant is an independent contractor is remanded to the Tax Section.

Julie Elder
Administrative Law Judge

Decision Dated and Mailed

je/pjs