#### IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

LINH T PHAM Claimant

# APPEAL NO. 16A-UI-07121-S1-T

ADMINISTRATIVE LAW JUDGE DECISION

LENSCRAFTERS INC Employer

> OC: 06/05/16 Claimant: Appellant (1)

Section 96.5-1 – Voluntary Quit Section 96.5-2-a – Discharge for Misconduct

## STATEMENT OF THE CASE:

Linh Pham (claimant) appealed a representative's June 21, 2016, decision (reference 01) that concluded she was not eligible to receive unemployment insurance benefits after her separation from employment with Lenscrafters (employer). After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was scheduled for July 15, 2016. The claimant participated personally. The employer was represented by Craig Cree, Hearings Representative, and participated by Jennifer Eberhardt, Regional General Manager.

## **ISSUE:**

The issue is whether the claimant was separated from employment for any disqualifying reason.

## FINDINGS OF FACT:

The administrative law judge, having heard the testimony and considered all of the evidence in the record, finds that: The claimant was hired on February 9, 2008, as a full-time sales supervisor. The claimant signed that she had read the employer's handbook. Higher sales figures reflected well on the claimant's earning potential. On January 8, 2016, the employer issued the claimant a warning for discount violations. The claimant was using employee discount codes that were supposed to be used for accessories when she sold glasses to customers. The claimant told the employer she understood she should not do this in the future.

The employer conducted an audit of sales from January through April of 2016. On May 31, 2016, it learned the claimant gave over \$10,000.00 of employee discounts that were supposed to be used solely for accessories on customer purchases of glasses without authorization from the employer. The claimant entered the employee discount code because it took longer to enter another code at the cash register. The claimant gave the discount to customers she selected. She felt the prices were too high. She wanted to help customers and close sales. On June 2, 2016, the employer terminated the claimant for entering incorrect information into the employer's registers.

#### **REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow the administrative law judge concludes the claimant was discharged for misconduct.

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).

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). As persuasive authority, the falsification of an activity log book constitutes job misconduct. <u>Smith v. Sorensen</u>, 222 Nebraska 599, 386 N.W.2d 5 (1986). The claimant clearly disregarded the standards of behavior which an employer has a right to expect of its employees. The claimant's actions were volitional. She intentionally entered incorrect codes into the cash register. This caused a reduction of revenue to the employer. When a claimant intentionally disregards the standards of behavior that the employer has a right to expect of its employees, the claimant's actions are misconduct. The claimant was discharged for misconduct.

## **DECISION:**

The representative's June 21, 2016, decision (reference 01) is affirmed. The claimant is not eligible to receive unemployment insurance benefits because the claimant was discharged from work for misconduct. Benefits are withheld until the claimant has worked in and has been paid wages for insured work equal to ten times the claimant's weekly benefit amount, provided the claimant is otherwise eligible.

Beth A. Scheetz Administrative Law Judge

Decision Dated and Mailed

bas/pjs