### IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

KYLE C DOZIER Claimant

# APPEAL NO. 12A-UI-00668-JTT

ADMINISTRATIVE LAW JUDGE DECISION

WAL-MART STORES INC Employer

> OC: 12/11/11 Claimant: Respondent (2-R)

Iowa Code Section 96.5(2)(a) – Discharge for Misconduct

# STATEMENT OF THE CASE:

The employer filed a timely appeal from the January 9, 2012, reference 01, decision that allowed benefits. After due notice was issued, a hearing was held on February 15, 2012. Claimant Kyle Dozier participated. Brenda McCowan, Co-Manager, represented the employer. Exhibits One through Four were received into evidence.

#### ISSUE:

Whether the claimant was discharged for misconduct in connection with the employment that disqualifies the claimant for unemployment insurance benefits.

### FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Kyle Dozier was employed by Wal-Mart Stores as a full-time overnight maintenance associate from June 2010 until December 14, 2011, when Assistant Manager Kristina Randolph notified him that he was discharged him from the employment.

The incident that triggered the discharge occurred on December 11, 2011. On that date, Mr. Dozier went through a checkout lane to purchase a pack cigarettes on his paid break. The female cashier asked him for an ID pursuant to the employer's policy. Mr. Dozier told the cashier that he would need to be over 18 years old in order to work the overnight shift. Mr. Dozier provided the ID. Mr. Dozier told the cashier that she did not have to be a bitch about it. Mr. Dozier swiped his debit card and then began to walk away. The cashier told Mr. Dozier tossed the pack of cigarettes onto the checkout lane counter. The package slid off the counter and hit the cashier. As he was walking away, Mr. Dozier called the cashier a cunt. Others were present to see and hear what transpired. These included another Wal-Mart associate immediately behind Mr. Dozier in line and a customer who was waiting in line. Mr. Dozier provided the employer with a written statement of his interaction with the cashier prior to being discharged from the employment.

The employer has a policy that prohibits discrimination and harassment in the workplace. While the employer submitted an updated version of the policy for the hearing, Mr. Dozier had acknowledged the policy in writing at the time of hire and had access to the policy through the employer's intranet system.

# **REASONING AND CONCLUSIONS OF LAW:**

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.

The employer has the burden of proof in this matter. See Iowa Code section 96.6(2). Misconduct must be substantial in order to justify a denial of unemployment benefits. Misconduct serious enough to warrant the discharge of an employee is not necessarily serious enough to warrant a denial of unemployment benefits. See Lee v. Employment Appeal Board, 616 N.W.2d 661 (Iowa 2000). The focus is on deliberate, intentional, or culpable acts by the employee. See <u>Gimbel v. Employment Appeal Board</u>, 489 N.W.2d 36, 39 (Iowa Ct. App. 1992).

While past acts and warnings can be used to determine the magnitude of the current act of misconduct, a discharge for misconduct cannot be based on such past act(s). The termination of employment must be based on a current act. See 871 IAC 24.32(8). In determining whether the conduct that prompted the discharge constituted a "current act," the administrative law judge considers the date on which the conduct came to the attention of the employer and the date on which the employer notified the claimant that the conduct subjected the claimant to possible discharge. See also <u>Greene v. EAB</u>, 426 N.W.2d 659, 662 (Iowa App. 1988).

Allegations of misconduct or dishonesty without additional evidence shall not be sufficient to result in disqualification. If the employer is unwilling to furnish available evidence to corroborate the allegation, misconduct cannot be established. See 871 IAC 24.32(4). When it is in a party's power to produce more direct and satisfactory evidence than is actually produced, it may fairly be inferred that the more direct evidence will expose deficiencies in that party's case. See Crosser v. Iowa Dept. of Public Safety, 240 N.W.2d 682 (Iowa 1976).

An employer has the right to expect decency and civility from its employees and an employee's use of profanity or offensive language in a confrontational, disrespectful, or name-calling context may be recognized as misconduct disqualifying the employee from receipt of unemployment insurance benefits. <u>Henecke v. Iowa Department of Job Service</u>, 533 N.W.2d 573 (Iowa App. 1995). Use of foul language can alone be a sufficient ground for a misconduct disqualification for unemployment benefits. <u>Warrell v. Iowa Dept. of Job Service</u>, 356 N.W.2d 587 (Iowa Ct. App. 1984).

Mr. Dozier knowingly violated the employer's work rules and engaged in misconduct in connection with the employment when he directed profane, offensive, demeaning remarks at a female coworker who was merely doing her job. Mr. Dozier used vulgarity that was specific to the victim's gender. As if the demeaning language was not enough, Mr. Dozier humiliated the victim in a very public manner. Mr. Dozier's utterances and actions would have constituted misconduct even in the absence of any applicable work rules. The evidence further indicates a physical act of aggression in the throwing of the cigarette pack onto the counter. This, too, constituted misconduct. Mr. Dozier is disqualified for benefits until he has worked in and been paid wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible. The employer's account shall not be charged for benefits paid to Mr. Dozier.

lowa Code section 96.3(7) provides that benefits must be recovered from a claimant who receives benefits and is later determined to be ineligible for benefits, even though the claimant acted in good faith and was not otherwise at fault. The overpayment recovery law was updated in 2008. See Iowa Code section 96.3(7)(b). Under the revised law, a claimant will not be required to repay an overpayment of benefits if all of the following factors are met. First, the prior award of benefits must have been made in connection with a decision regarding the claimant's separation from a particular employment. Second, the claimant must not have engaged in fraud or willful misrepresentation to obtain the benefits or in connection with the Agency's initial decision to award benefits. Third, the employer must not have participated at the initial fact-finding proceeding that resulted in the initial decision to award benefits. If Workforce Development determines there has been an overpayment of benefits, the employer will not be charged for the benefits, regardless of whether the claimant is required to repay the benefits.

Because the claimant has been deemed ineligible for benefits, any benefits the claimant has received would constitute an overpayment. Accordingly, the administrative law judge will remand the matter to the Claims Division for determination of whether there has been an overpayment, the amount of the overpayment, and whether the claimant will have to repay the benefits.

# **DECISION:**

The Agency representative's January 9, 2012, reference 01, decision is reversed. The claimant was discharged for misconduct. The claimant is disqualified for unemployment benefits until he has worked in and been paid wages for insured work equal to ten times his weekly benefit

allowance, provided he meets all other eligibility requirements. The employer's account will not be charged.

This matter is remanded to the Claims Division for determination of whether there has been an overpayment, the amount of the overpayment, and whether the claimant will have to repay the benefits.

James E. Timberland Administrative Law Judge

Decision Dated and Mailed

jet/css