

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

KEVIN E HAKALA
Claimant

APPEAL NO: 10A-UI-05609-ST

**ADMINISTRATIVE LAW JUDGE
DECISION**

SPRING VALLEY RADIO INC
Employer

OC: 03/14/10
Claimant: Respondent (2-R)

Section 96.5-2-a – Discharge
871 IAC 24.32(1) – Definition of Misconduct
Section 96.3-7 – Recovery of Overpayment

STATEMENT OF THE CASE:

The employer appealed a department decision dated April 5, 2010, reference 01, that held the claimant was not discharged for misconduct on March 13, 2010, and benefits are allowed. A telephone hearing was held on June 1, 2010. The claimant did not participate. John Marckres, Vice President, participated for the employer. Employer Exhibit One was received as evidence.

ISSUES:

Whether the claimant was discharged for misconduct in connection with employment.

Whether the claimant is overpaid benefits.

FINDINGS OF FACT:

The administrative law judge having heard the testimony of the witness, and having considered the evidence in the record, finds: The claimant began full-time employment as a manager on July 6, 2007, and last worked for the employer on March 12, 2010. The employer verbally instructed the claimant that the employer policy is that he needed to contact him, if he was going to leave the store more than 15 minutes. During claimant's employment, the employer counseled him about the policy, and the claimant did contact the employer and was granted permission to leave the store for more than 15 minutes on more than one occasion.

The employer reviewed surveillance video that showed the claimant left the store for more than one hour and unattended on March 12, and March 15, 2010. The claimant did not request nor was he granted permission to be gone for this period of time. The employer discharged the claimant for violation of company leave policy.

The claimant failed to respond to the hearing notice. The claimant has received benefits on his unemployment claim.

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 administrative law judge concludes the employer has established that the claimant was discharged for misconduct in connection with employment on March 13, 2010 due to a violation of employer policy.

The employer established that the claimant knew and understood the policy based on prior conferencing and the claimant's compliance by request relief from the store for more than 15 minutes. The employer established recent policy violations by the claimant leaving the store unattended for an extensive period of time on March 12, and March 13 that constitutes job disqualifying misconduct.

Iowa Code section 96.3-7, as amended in 2008, provides:

7. Recovery of overpayment of benefits.

a. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from

any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

b. (1) If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5. However, provided the benefits were not received as the result of fraud or willful misrepresentation by the individual, benefits shall not be recovered from an individual if the employer did not participate in the initial determination to award benefits pursuant to section 96.6, subsection 2, and an overpayment occurred because of a subsequent reversal on appeal regarding the issue of the individual's separation from employment. The employer shall not be charged with the benefits.

(2) An accounting firm, agent, unemployment insurance accounting firm, or other entity that represents an employer in unemployment claim matters and demonstrates a continuous pattern of failing to participate in the initial determinations to award benefits, as determined and defined by rule by the department, shall be denied permission by the department to represent any employers in unemployment insurance matters. This subparagraph does not apply to attorneys or counselors admitted to practice in the courts of this state pursuant to section 602.10101.

Since the claimant has received benefits on his current claim, this issue is remanded to Claims for an overpayment determination.

DECISION:

The department decision dated April 5, 2010, reference 01, is reversed. The claimant was discharged for misconduct on March 13, 2010. Benefits are denied until the claimant requalifies by working in and being paid wages for insured work equal to ten times his weekly benefit amount, provided the claimant is otherwise eligible. The overpayment issue is remanded for determination.

Randy L. Stephenson
Administrative Law Judge

Decision Dated and Mailed

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