IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

LAMAR M CLAY Claimant

APPEAL NO. 16A-UI-04674-S1-T

ADMINISTRATIVE LAW JUDGE DECISION

PILOT TRAVEL CENTERS LLC Employer

OC: 03/20/16 Claimant: Appellant (2)

Section 96.5-2-a – Discharge for Misconduct Section 96.6(2) – Timeliness of Appeal

STATEMENT OF THE CASE:

Lamar Clay (claimant) appealed a representative's April 6, 2016, decision (reference 01) that concluded he was not eligible to receive unemployment insurance benefits after his separation from employment with Pilot Travel Centers (employer). After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was scheduled for May 5, 2016. The claimant participated personally. The employer participated by Jill Claeys, Restaurant, General Manager, and Dorothy Jackson, Cashier. Exhibit D-1 was received into evidence. The Employer offered and Exhibit One was received into evidence.

ISSUE:

The issue is whether the appeal was filed in a timely manner and, if so, 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 August 4, 2015, as a full-time cashier. The claimant signed for receipt of the employer's handbook on August 4, 2015. On February 2, 2016, the employer issued the claimant a written warning for tardiness. On February 4, 2016, the employer issued the claimant a written warning for performance issues. On February 12, 2016, the employer issued the claimant a final written warning for attendance issues. The employer notified the claimant each time that further infractions could result in termination from employment.

Some workers told the employer they saw the claimant sleeping at work on unknown dates. One worker said the claimant was asleep for minutes. She said the claimant admitted to her he was asleep because he was tired. The worker did not think he was on break. The employer terminated the claimant on February 20, 2016. The claimant denied sleeping on the job.

A disqualification decision was mailed to the claimant's last known address of record on April 6, 2016. He did not receive the decision within ten days. The decision contained a warning that an appeal must be postmarked or received by the Appeals Section by April 18, 2016. The appeal was not filed until April 22, 2016, which is after the date noticed on the disqualification decision.

REASONING AND CONCLUSIONS OF LAW:

The first issue to be considered in this appeal is whether the claimant's appeal is timely. The administrative law judge determines it is.

Iowa Code § 96.6-2 provides:

2. Initial determination. A representative designated by the director shall promptly notify all interested parties to the claim of its filing, and the parties have ten days from the date of mailing the notice of the filing of the claim by ordinary mail to the last known address to protest payment of benefits to the claimant. The representative shall promptly examine the claim and any protest, take the initiative to ascertain relevant information concerning the claim, and, on the basis of the facts found by the representative, shall determine whether or not the claim is valid, the week with respect to which benefits shall commence, the weekly benefit amount payable and its maximum duration, and whether any disgualification shall be imposed. The claimant has the burden of proving that the claimant meets the basic eligibility conditions of section 96.4. The employer has the burden of proving that the claimant is disgualified for benefits pursuant to section 96.5, except as provided by this subsection. The claimant has the initial burden to produce evidence showing that the claimant is not disgualified for benefits in cases involving section 96.5, subsection 10, and has the burden of proving that a voluntary guit pursuant to section 96.5, subsection 1, was for good cause attributable to the employer and that the claimant is not disgualified for benefits in cases involving section 96.5, subsection 1, paragraphs "a" through "h". Unless the claimant or other interested party, after notification or within ten calendar days after notification was mailed to the claimant's last known address, files an appeal from the decision, the decision is final and benefits shall be paid or denied in accordance with the decision. If an administrative law judge affirms a decision of the representative, or the appeal board affirms a decision of the administrative law judge allowing benefits, the benefits shall be paid regardless of any appeal which is thereafter taken, but if the decision is finally reversed, no employer's account shall be charged with benefits so paid and this relief from charges shall apply to both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

The claimant did not have an opportunity to appeal the fact-finder's decision because the decision was not received. Without notice of a disqualification, no meaningful opportunity for appeal exists. See *Smith v. Iowa Employment Security Commission*, 212 N.W.2d 471, 472 (Iowa 1973). The claimant appealed the decision when he discovered it. Therefore, the appeal shall be accepted as timely.

The next issue is whether the claimant was discharged for misconduct. The administrative law judge concludes he was not.

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).

Iowa Admin. Code r. 871-24.32(8) provides:

(8) Past acts of misconduct. While past acts and warnings can be used to determine the magnitude of a current act of misconduct, a discharge for misconduct cannot be based on such past act or acts. The termination of employment must be based on a current act.

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 employer must establish not only misconduct but that there was a final incident of misconduct which precipitated the discharge. The employer was not able to provide any evidence of a final incident of misconduct. The employer believes the claimant was sleeping at work based on the word of a co-worker. The co-worker was unable to provide a date the incident occurred. The employer has failed to provide any evidence of willful and deliberate misconduct which would be a final incident leading to the discharge. The claimant was discharged but there was no misconduct.

DECISION:

The April 6, 2016, reference 01, decision is reversed. The appeal in this case was timely. Benefits are allowed, provided claimant is otherwise eligible.

Beth A. Scheetz Administrative Law Judge

Decision Dated and Mailed

bas/pjs