

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

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**KARIN HOOPER**  
Claimant

**LUTHERAN SERVICES IN IOWA INC**  
Employer

**APPEAL 18A-UI-08622-LJ-T**  
**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 07/15/18**  
**Claimant: Appellant (2)**

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

**STATEMENT OF THE CASE:**

The claimant filed an appeal from the August 9, 2018, (reference 01) unemployment insurance decision that denied benefits based upon a determination that claimant was discharged for violation of a known company rule. The parties were properly notified of the hearing. A telephonic hearing was held on September 5, 2018. The claimant, Karin Hooper, participated. The employer, Lutheran Services in Iowa, Inc., participated through Stephanie Clark, Supervisor; both Jay Templeman and Lisa Sang observed the hearing. Claimant's Exhibits A through D as Employer's Exhibits 1 through 13 were received and admitted into the record without objection.

**ISSUE:**

Was the claimant discharged for disqualifying job-related misconduct?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed full-time, most recently as a case worker, from May 3, 2016, until July 19, 2018, when she was discharged for failing to maintain appropriate boundaries. The employer alleges that approximately two weeks prior to discharge, claimant told a co-worker that she paid a client's electric bill. Claimant denies paying a bill for a client, and she denies telling a co-worker that she did. Claimant and co-worker Presha frequently talked about the financial struggles of the families they served and the affect that DHS reimbursement delays had on the families. Claimant had been counseled in the past about maintaining appropriate boundaries with social media. Specifically, claimant was instructed not to be Facebook friends with any clients, so claimant unfriended the clients she was connected with on Facebook.

**REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes claimant was discharged from employment for no disqualifying reason. Benefits are allowed, provided she is otherwise eligible.

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).

It is the duty of the administrative law judge as the trier of fact in this case, to determine the credibility of witnesses, weigh the evidence and decide the facts in issue. *Arndt v. City of LeClaire*, 728 N.W.2d 389, 394-395 (Iowa 2007). The administrative law judge may believe all, part or none of any witness's testimony. *State v. Holtz*, 548 N.W.2d 162, 163 (Iowa App. 1996). In assessing the credibility of witnesses, the administrative law judge should consider the evidence using his or her own observations, common sense and experience. *Id.* In determining the facts, and deciding what testimony to believe, the fact finder may consider the following factors: whether the testimony is reasonable and consistent with other believable evidence; whether a witness has made inconsistent statements; the witness's appearance, conduct, age, intelligence, memory and knowledge of the facts; and the witness's interest in the trial, their motive, candor, bias and prejudice. *Id.*

In this case, claimant presented reasonable firsthand testimony regarding the event that led to her end of employment. The employer relied on secondhand testimony. It did not offer testimony from a firsthand witness, any written statement from the firsthand witness or the client, or any proof that claimant actually paid the client's utility bill. After assessing the credibility of the witnesses who testified during the hearing, considering the applicable factors

listed above, and using her own common sense and experience, the administrative law judge finds claimant's testimony more credible than the employer's testimony.

In an at-will employment environment an employer may discharge an employee for any number of reasons or no reason at all if it is not contrary to public policy, but if it fails to meet its burden of proof to establish job related misconduct as the reason for the separation, it incurs potential liability for unemployment insurance benefits related to that separation. A determination as to whether an employee's act is misconduct does not rest solely on the interpretation or application of the employer's policy or rule. Here, the employer has not met its burden of proving that claimant engaged in disqualifying, job-related misconduct. Therefore, it has not established that claimant was discharged for any disqualifying reason. Benefits are allowed, provided claimant is otherwise eligible.

**DECISION:**

The August 9, 2018, (reference 01) unemployment insurance decision is reversed. Claimant was discharged from employment for no disqualifying reason. Benefits are allowed, provided she is otherwise eligible. Any benefits claimed and withheld on this basis shall be paid.

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Elizabeth A. Johnson  
Administrative Law Judge

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Decision Dated and Mailed

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