IOWA WORKFORCE DEVELOPMENT
Unemployment Insurance Appeals Section
1000 East Grand—Des Moines, Iowa 50319
DECISION OF THE ADMINISTRATIVE LAW JUDGE
68-0157 (7-97) – 3091078 - EI

MICHAEL L BURNS 642 – 38TH ST NE CEDAR RAPIDS IA 52402

MENARD INC 4777 MENARD DR EAU CLAIRE WI 54703 Appeal Number: 04A-UI-08696-DT

OC: 07/18/04 R: 03 Claimant: Appellant (2)

This Decision Shall Become Final, unless within fifteen (15) days from the date below, you or any interested party appeal to the Employment Appeal Board by submitting either a signed letter or a signed written Notice of Appeal, directly to the *Employment Appeal Board*, 4th Floor—Lucas Building, Des Moines, Iowa 50319.

The appeal period will be extended to the next business day if the last day to appeal falls on a weekend or a legal holiday.

STATE CLEARLY

- The name, address and social security number of the claimant.
- 2. A reference to the decision from which the appeal is taken.
- That an appeal from such decision is being made and such appeal is signed.
- 4. The grounds upon which such appeal is based.

YOU MAY REPRESENT yourself in this appeal or you may obtain a lawyer or other interested party to do so provided there is no expense to Workforce Development. If you wish to be represented by a lawyer, you may obtain the services of either a private attorney or one whose services are paid for with public funds. It is important that you file your claim as directed, while this appeal is pending, to protect your continuing right to benefits.

 (Administrative Law Judge)
,
(Decision Dated & Mailed)

Section 96.5-2-a – Discharge

STATEMENT OF THE CASE:

Michael L. Burns (claimant) appealed a representative's August 5, 2004 decision (reference 01) that concluded he was not qualified to receive unemployment insurance benefits after a separation from employment with Menard, Inc. (employer). After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on September 2, 2004. The claimant participated in the hearing. Jennifer Giebel appeared on the employer's behalf and presented testimony from one witness, Guss Gerkin. During the hearing, Employer's Exhibits One, Two and Three were entered into evidence. Based on the evidence, the arguments of the parties, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

ISSUE: Was the claimant discharged for work-connected misconduct?

FINDINGS OF FACT:

After a prior period of employment with the employer, the claimant most recently started working for the employer on June 1, 1993. He worked full time as second assistant general manager in the employer's Cedar Rapids, Iowa store. His last day of work was July 16, 2004. The employer discharged him on that date. The reason asserted for the discharge was not performing assigned work as directed.

The employer had implemented a morning stocking program to be completed between 5:00 a.m. and 7:00 a.m. The two assistant general managers would switch off schedules so that one of them would be on duty during this process. On or about July 16, Mr. Gerkin, the General Manager, was informed by his corporate office that quality assurance monitoring had discovered that at least for that week of July 12 through July 16, the claimant had been in a front desk area, spending much time sitting and reading a newspaper. The employer believed that the claimant should have been circulating on the floor during the stocking process to monitor and to offer assistance; the claimant had not believed that such hands-on monitoring was necessary, as he was comfortable with the crew and had confidence that they could competently carry out their tasks, and would contact him if assistance was necessary. He acknowledged that he spent some time reading the newspaper, but asserted this was in conformance with the employer's expectation that the assistant managers keep tabs on the local news and ads and information regarding competition. The claimant had not previously been warned that sitting in the desk area was not sufficiently carrying out his duty to oversee the stocking program.

REASONING AND CONCLUSIONS OF LAW:

The issue in this case is whether the employer discharged the claimant for reasons establishing work-connected misconduct as defined by the unemployment insurance law. The issue is not whether the employer was right to terminate the claimant's employment, but whether the claimant is entitled to unemployment insurance benefits. Infante v. IDJS, 364 N.W.2d 262 (Iowa App. 1984). What constitutes misconduct justifying termination of an employee and what is misconduct that warrants denial of unemployment insurance benefits are two separate questions. Pierce v. IDJS, 425 N.W.2d 679 (Iowa App. 1988).

A claimant is not qualified to receive unemployment insurance benefits if an employer has discharged the claimant for reasons constituting work-connected misconduct. Iowa Code Section 96.5-2-a. Before a claimant can be denied unemployment insurance benefits, the employer has the burden to establish the claimant was discharged for work-connected misconduct. Cosper v. IDJS, 321 N.W.2d 6 (Iowa 1982).

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.

This definition has been accepted by the Iowa Supreme Court as accurately reflecting the intent of the legislature. <u>Huntoon v. Iowa Department of Job Service</u>, 275 N.W.2d 445, 448 (Iowa 1979).

The focus of the definition of misconduct is on acts or omissions by a claimant that "rise to the level of being deliberate, intentional or culpable." <u>Henry v. Iowa Department of Job Service</u>, 391 N.W.2d 731, 735 (Iowa App. 1986). The acts must show:

- 1. Willful and wanton disregard of an employer's interest, such as found in:
 - a. Deliberate violation of standards of behavior that the employer has the right to expect of its employees, or
 - b. Deliberate disregard of standards of behavior the employer has the right to expect of its employees; or
- 2. Carelessness or negligence of such degree of recurrence as to:
 - a. Manifest equal culpability, wrongful intent or evil design; or
 - b. Show an intentional and substantial disregard of:
 - 1. The employer's interest, or
 - 2. The employee's duties and obligations to the employer.

<u>Henry</u>, supra. The reason cited by the employer for discharging the claimant is his failure to provide "hands-on" monitoring of the stocking program. Misconduct connotes volition. <u>Huntoon</u>, supra. There is no evidence the claimant intentionally neglected carrying out his duty or carried in out in a way he knew would be unacceptable. Under the circumstances of this case, the claimant's failure to properly monitor the stocking program was the result of inefficiency, unsatisfactory conduct, inadvertence, or ordinary negligence, and was a good faith error in judgment or discretion. The employer has not met its burden to show disqualifying misconduct. <u>Cosper</u>, supra. Based upon the evidence provided, the claimant's actions were not misconduct within the meaning of the statute, and the claimant is not disqualified from benefits.

DECISION:

The representative's August 5, 2004 decision (reference 01) is reversed. The employer did discharge the claimant but not for disqualifying reasons. The claimant is qualified to receive unemployment insurance benefits, if he is otherwise eligible.

ld/pjs