

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

BRADLEY A BALDWIN
Claimant

BLACKHAWK BANCORPORATION INC
Employer

APPEAL 15A-UI-05899-JCT
**ADMINISTRATIVE LAW JUDGE
DECISION**

OC: 05/03/15
Claimant: Appellant (1)

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

STATEMENT OF THE CASE:

The claimant filed an appeal from the May 14, 2015, (reference 01) unemployment insurance decision that denied benefits based upon separation. The parties were properly notified about the hearing. A telephone hearing was held on June 25, 2015. The claimant participated with John Singer, Attorney at Law. Michele Casteneda, Treasurer of the Quad City Parrot Society, testified. The employer participated through Nathan Youngblood. Claimant Exhibit One was received.

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: The claimant was employed full time as a branch manager and was separated from employment on May 1, 2015, when he was discharged.

The claimant was a branch manager for the employer, who operates as a bank. The claimant had a personal account through the bank, and also was president of the Quad Cities Parrot Society, a rescue organization for birds, which also had an account with the employer. The claimant was authorized to access both accounts for usage. The claimant also had a personal account located with another financial institution unrelated to the case at hand.

The final incident occurred when a teller reported to the employer that the claimant had presented a slip to the teller for funds to be transferred from the Quad Cities Parrot Society account to the claimant's account. According to the teller, who did not attend the hearing, the slip was first presented with a single signature, and the claimant was notified the account required two signatures. The slip was reoffered with two signatures bearing the names of the claimant, an authorized user, and Michele Casteneda, also an authorized user. The teller raised concern to the employer because Ms. Casteneda did not visit the location between the presentation of the single signature and double signature slips. The employer began an investigation which confirmed on three occasions in a one-week period, monies had been

deposited into the claimant's personal account from the Quad Cities Parrot Society's account in the amounts of \$500 on April 22, 2015, \$400 on April 27, 2015, and \$100 on April 29, 2015, totaling \$1000. The claimant testified the \$500 deposit was "in error", the \$400 was to cover the expenses of a van rental, and the \$100 was to cover toy making supplies. Prior to the deposits, the claimant's balance was very low, and after pay day on April 30, 2015, the \$1000 was transferred back to the Quad Cities Parrot Society's account.

When confronted by the employer, the claimant admitted to forging the name of Michele Casteneda and that they had a "great relationship." At the hearing, the claimant offered a second explanation that Ms. Casteneda and authorized users on the account would sign blank checks and allow others to carry around the blank checks and slips with the second signature, just in case something came up and a signature was needed immediately. Ms. Casteneda denied signing the three documents that allowed the monies to be transferred and testified expenses were agreed upon at monthly meetings. The claimant was subsequently discharged for his conduct related to the transferring of monies from the Parrot Society's account into his own.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant was discharged from employment due to job-related misconduct.

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).

An employee owes their employer honesty in their dealing with them. It cannot be ignored, that as a manager of a bank, who would be responsible for enforcing policies both employees and with bank customers to protect financial assets, the claimant's conduct is unsettling. The claimant offered multiple explanations for how the signatures were obtained to transfer monies into his personal account, both during his employment and at his hearing. Ms. Casteneda herself testified at the hearing that she did not sign the slips at hand, and did not give the claimant signed blank checks for the expenses he purported to be using with the transferred the monies into his personal account. Through the first-hand testimony of the employer's witness, and Ms. Casteneda, the employer has presented sufficient evidence to establish that claimant forged Ms. Casteneda's signature to transfer monies to his personal account.

The fact the claimant eventually returned the full amount is irrelevant. Even though the claimant moved the funds back to the Quad Cities Parrot Society, he was obligated not to be dishonest and move them without proper signatures and authorization in the first place, especially as a bank manager. The claimant knew or should have known that such an act of dishonesty could lead to his discharge. Choosing to engage in dishonesty because an employee does not think they will be fired if they are caught is not an excuse. An employee is not allowed a onetime exemption from honest dealings and his conduct was not in the best interests of the employer. The claimant's actions and forgery were severe enough to rise to the level of disqualifying job-related misconduct. Benefits are denied.

DECISION:

The May 14, 2015, (reference 01) unemployment insurance decision is affirmed. The claimant was discharged from employment due to job-related misconduct. Benefits are withheld until such time as he has worked in and been paid wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible.

Jennifer L. Coe
Administrative Law Judge

Decision Dated and Mailed

jlc/css