IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

 ROBERT J LOVING
 APPEAL NO. 11A-UI-01416-DT

 Claimant
 ADMINISTRATIVE LAW JUDGE

 WAL-MART STORES INC
 DECISION

OC: 01/02/11 Claimant: Respondent (2/R)

Section 96.5-2-a – Discharge Section 96.3-7 – Recovery of Overpayment of Benefits

STATEMENT OF THE CASE:

Wal-Mart Stores, Inc. (employer) appealed a representative's January 25, 2011 decision (reference 01) that concluded Robert J. Loving (claimant) was qualified to receive unemployment insurance benefits after a separation from employment. After hearing notices were mailed to the parties' last known addresses of record, a telephone hearing was held on March 10, 2011. The claimant participated in the hearing. Patrick Peterson appeared on the employer's behalf and presented testimony from one other witness, Laura Bagwell. 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:

The claimant started working for the employer on January 19, 2010. He worked full-time as lawn and garden merchandise supervisor at the employer's Atlantic, Iowa store. His last day of work was December 23, 2010. The employer discharged him on that date. The stated reason for the discharge was taking an excessive off-premises break without clocking out and not being forthright about the situation.

On December 22 the claimant had been scheduled for an 11:00 a.m. to 8:00 p.m. shift. At about 12:30 p.m., it was noticed that he was not in the store, and was not apparently in the store until close to 1:30 p.m. When initially approached and questioned about his, he acknowledged that he had been gone briefly to pick up his child from school due to an early dismissal due to weather, but indicated he had only been gone about 20 minutes.

When video surveillance was checked, the claimant had exited the store at 12:24 p.m. and had not reentered until 1:25 p.m. When confronted again, he acknowledged that it had taken him longer than he had expected due to slow traffic due to the weather. He did not have a clear

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explanation as to why he had not spoken to a manager, clocked out, or been forthcoming when he had first been approached about his apparent absence.

Because of the claimant's unauthorized absence from the premises while on the clock and his failure to be forthright about the reasons when first questioned, the employer discharged the claimant.

The claimant established a claim for unemployment insurance benefits effective January 2, 2011. The claimant has received unemployment insurance benefits after the separation.

REASONING AND CONCLUSIONS OF LAW:

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 § 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 § 96.5-2-a.

In order to establish misconduct such as to disqualify a former employee from benefits, an employer must establish the employee was responsible for a deliberate act or omission that was a material breach of the duties and obligations owed by the employee to the employer. 871 IAC 24.32(1)a; <u>Huntoon v. Iowa Department of Job Service</u>, 275 N.W.2d 445 (Iowa 1979); <u>Henry v. Iowa Department of Job Service</u>, 391 N.W.2d 731, 735 (Iowa App. 1986). The conduct must show a willful or wanton disregard of an employer's interest as is found in deliberate violation or disregard of standards of behavior that 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. 871 IAC 24.32(1)a; <u>Huntoon</u>, supra; <u>Henry</u>, supra. In contrast, 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. 871 IAC 24.32(1)a; <u>Huntoon</u>, supra; <u>Newman v. Iowa Department of Job Service</u>, 351 N.W.2d 806 (Iowa App. 1984).

The claimant's extended absence without permission or clocking out, and more so his initial statement that it was only for about 20 minutes when it was an hour, shows a willful or wanton disregard of the standard of behavior the employer has the right to expect from an employee, as well as an intentional and substantial disregard of the employer's interests and of the employee's duties and obligations to the employer. <u>White v. Employment Appeal Board</u>, 448 N.W.2d 691 (Iowa 1989). The employer discharged the claimant for reasons amounting to work-connected misconduct.

The unemployment insurance law provides that benefits must be recovered from a claimant who receives benefits and is later determined to be ineligible for benefits, even though the claimant acted in good faith and was not otherwise at fault. However, the overpayment will not be recovered when it is based on a reversal on appeal of an initial determination to award benefits on an issue regarding the claimant's employment separation if: (1) the benefits were not received due to any fraud or willful misrepresentation by the claimant and (2) the employer did not participate in the initial proceeding to award benefits. The employer will not be charged for benefits whether or not the overpayment is recovered. Iowa Code § 96.3-7. In this case, the claimant has received benefits but was ineligible for those benefits. The matter of determining

the amount of the overpayment and whether the claimant is eligible for a waiver of overpayment under Iowa Code § 96.3-7-b is remanded the Claims Section.

DECISION:

The representative's January 25, 2011 decision (reference 01) is reversed. The employer discharged the claimant for disqualifying reasons. The claimant is disqualified from receiving unemployment insurance benefits as of December 23, 2010. This disqualification continues until the claimant has been paid ten times his weekly benefit amount for insured work, provided he is otherwise eligible. The employer's account will not be charged. The matter is remanded to the Claims Section for investigation and determination of the overpayment issue.

Lynette A. F. Donner Administrative Law Judge

Decision Dated and Mailed

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