IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

APPEAL NO: 12A-UI-00735-ET **TEENA MACKEY** Claimant ADMINISTRATIVE LAW JUDGE DECISION **NSK CORPORATION** Employer OC: 10-23-11

Claimant: Respondent (2R)

Section 96.5-2-a - Discharge/Misconduct Section 96.3-7 – Recovery of Benefit Overpayment

STATEMENT OF THE CASE:

The employer filed a timely appeal from the January 11, 2012, reference 01, decision that allowed benefits to the claimant. After due notice was issued, a hearing was held by telephone conference call before Administrative Law Judge Julie Elder on March 12, 2012. The claimant provided a phone number prior to the hearing but was not available at that number at the time of the hearing and did not participate in the hearing or request a postponement of the hearing as required by the hearing notice. Jamie Lindsay, Human Resources Administrator and Shayne Rollins, Business Unit Manager, participated in the hearing on behalf of the employer.

ISSUE:

The issue is whether the employer discharged the claimant for work-connected misconduct.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was employed as a full-time assembly operator for NSK Corporation from August 15, 2005 to October 4, 2011. She received a verbal warning in writing March 29, 2011, for failing to use the correct procedure for labeling parts March 25, 2011, which could have resulted in a quality issue. On May 10, 2011, the claimant received a written warning after the employer discovered a substantial number of parts in the claimant's line that were defective that the claimant should have detected as part of her routine job duties. On October 4, 2011, the claimant's employment was terminated after the employer received calls from a customer in August and September 2011 because they received substandard parts that did not meet the noise quality test. When it happened again in October 2011 the employer brought all that customer's parts back to the warehouse for retesting and determined the parts were too noisy and were originally tested by the claimant. Additionally, on October 3, 2011, parts tested by the claimant were returned from the warehouse because the packaging was mixed as the claimant did not follow standard operating procedures. As a result of the above issues and the employer's progressive disciplinary policy the claimant's employment was terminated October 4, 2011.

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

The claimant has claimed and received unemployment insurance benefits since her separation from this employer.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant was discharged from employment for disqualifying job 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.

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.

The employer has the burden of proving disqualifying misconduct. <u>Cosper v. Iowa Department</u> <u>of Job Service</u>, 321 N.W.2d 6 (Iowa 1982). The claimant was an experienced employee and while the noise issues were not necessarily easy to detect, the other errors made by the claimant were routine procedures the claimant failed to execute according to the employer's standard operating procedures. Under these circumstances, the administrative law judge concludes the claimant's conduct demonstrated a willful disregard of the standards of behavior the employer has the right to expect of employees and shows an intentional and substantial disregard of the employer's interests and the employee's duties and obligations to the employer. The employer has met its burden of proving disqualifying job misconduct. <u>Cosper v. IDJS</u>, 321 N.W.2d 6 (Iowa 1982). Therefore, benefits are denied.

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 not eligible for those benefits. The matter of determining the amount of the overpayment and whether the overpayment should be recovered under Iowa Code § 96.3-7 b is remanded to the Agency.

DECISION:

The January 11, 2012, reference 01, decision is reversed. The claimant was discharged from employment due to job-related misconduct. Benefits are withheld until such time as she has worked in and been paid wages for insured work equal to ten times her weekly benefit amount, provided she is otherwise eligible. The claimant has received benefits but was not eligible for those benefits. The matter of determining the amount of the overpayment and whether the overpayment should be recovered under Iowa Code § 96.3-7-b is remanded to the Agency.

Julie Elder Administrative Law Judge

Decision Dated and Mailed

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