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

DENNIS D BURGER $805 - 28^{TH} AVE$ **COUNCIL BLUFFS IA 51501**

HY-VEE INC C/O TALX UCM SERVICES **PO BOX 283** ST LOUIS MO 63166-0283

TALX UC EXPRESS 3799 VILLAGE RUN DR #511 DES MOINES IA 50317

Appeal Number: 05A-UI-05762-H2T

OC: 05-08-05 R: 01 Claimant: Appellant (1)

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
- 3. That an appeal from such decision is being made and such appeal is signed.
- 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/Misconduct

STATEMENT OF THE CASE:

The claimant filed a timely appeal from the May 20, 2005, reference 01, decision that denied benefits. After due notice was issued, a hearing was held on June 21, 2005. The claimant did participate. The employer did participate through Erica Wellman, Owner of ENR Services Inc.; Michael Brunnert, Undercover Agent for ENR Services; Pat Howarth, Human Resources Coordinator; Todd Wagner, Store Director; and was represented by David Williams of Talx UC Express. Employer's Exhibit One was received.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was employed as a night stock checker full time beginning December 17, 2002 through May 5, 2005 when he was discharged. The claimant was discharged for giving free and/or discounted cigarettes to Michael Brunnert. Mr. Brunnert was hired by Hy-Vee to pose as an hourly employee and to observe and report the activities of the other employees in an effort by the employer to cut down on loss due to theft.

On May 1, the claimant did not charge Mr. Brunnert the full price for cigarettes. Instead he charged him only one dollar. The cigarettes given to Mr. Brunnert at the reduced price were not damaged or discounted cigarettes but one offered to general customers at full price. At hearing the claimant admitted that he provided Mr. Brunnert with discounted cigarettes in contravention of the employer's policy.

Also on May 1, 2005, the claimant allowed Mr. Brunnert to pass through the check out line without paying for a small bag of potato chips and a bottle of mountain dew. The claimant never went back and checked with Mr. Brunnert to insure that he had paid for the merchandise he consumed on break. Mr. Brunnert never did pay for the chips and pop. The claimant did not have permission to give away products or to sell any products to employees at a discount.

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 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

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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).

An employer has a right to expect employees to conduct themselves in a certain manner. The claimant disregarded the employer's rights by giving away free or discounted merchandise to other employees. The claimant's actions amount to theft from the employer. Theft is misconduct. The claimant's disregard of the employer's rights and interests is misconduct. As such, the claimant is not eligible to receive unemployment insurance benefits. Benefits are denied.

DECISION:

The May 20, 2005, reference 01, 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.

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