

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

CASYEDREA BLOCH
Claimant

APPEAL NO. 07A-UI-07578-HT

**ADMINISTRATIVE LAW JUDGE
DECISION**

WELCOME WAY INC
MCDONALDS 12204
Employer

OC: 07/01/07 R: 04
Claimant: Respondent (2)

Section 96.5(1) – Quit
Section 96.3(7) – Overpayment

STATEMENT OF THE CASE:

The employer, McDonalds, filed an appeal from a decision dated July 20, 2007, reference 01. The decision allowed benefits to the claimant, Casyedrea Bloch. After due notice was issued, a hearing was held by telephone conference call on August 22, 2007. The claimant participated on her own behalf. The employer participated by Area Supervisor Norm Schultz.

ISSUE:

The issue is whether the claimant quit work with good cause attributable to the employer.

FINDINGS OF FACT:

Casyedrea Bloch was employed by McDonalds from October 25, 2006 until May 8, 2007, as a full-time swing manager. On the morning of May 6, 2007, the claimant told another manager, John, that she had found one of the cash drawers in the safe without any currency in it, only coins. The cash drawers are to have a total of \$75.00, in mixed coin and currency, but this one had only \$24.00.

Ms. Bloch “acted surprised” to find the drawer and stated she did not have any idea how it had gotten in the safe. The matter was reported to Store Manager Jeff Hammerling, who consulted with Area Supervisor Norm Schultz. The surveillance video tapes were reviewed and on the evening of May 5, 2007, the tape clearly showed the claimant putting the drawer, without the currency, in the safe and piling other drawers on top of it.

The manager and area supervisor met with Ms. Bloch on May 7, 2007, to discuss the matter with her. She adamantly denied knowing anything about how the drawer got into the safe in spite of being asked several times by Mr. Schultz. He asked her if she knew the manager’s office had a camera in it and she acknowledged she did, but when the three of them went to the office and the supervisor accessed the special “supervisor’s camera” the claimant was surprised as she evidently did not know about that one.

Ms. Bloch viewed the videotape, which clearly showed her putting the cash drawer into the safe and only then did she admit to doing it. The employer notified her she could not continue as a swing manager because of her obstruction of the investigation. She was never accused of taking the money but only of being dishonest when questioned. Mr. Hammerling and Mr. Schultz sent her home after she agreed to attend another meeting on May 8, 2007, at 2:00 p.m., so the owner could be consulted about the situation.

The claimant was no longer going to be the swing manager, but there was a possibility she could be demoted to crew member and sent to another store a short distance away. She was also notified she could be discharged. On the way home Ms. Bloch decided she did not want to continue working, even if a job was available to her at the other location, because she felt others would be "looking at" her and thinking she had stolen the money.

She did not notify the employer of her decision and was a no-call/no-show to the meeting the next day. At that time the employer considered her to be a voluntary quit.

Casyedrea Bloch has received unemployment benefits since filing a claim with an effective date of July 1, 2007.

REASONING AND CONCLUSIONS OF LAW:

Iowa Code section 96.5-1 provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

871 IAC 24.26(1) provides:

Voluntary quit with good cause attributable to the employer and separations not considered to be voluntary quits. The following are reasons for a claimant leaving employment with good cause attributable to the employer:

(1) A change in the contract of hire. An employer's willful breach of contract of hire shall not be a disqualifiable issue. This would include any change that would jeopardize the worker's safety, health or morals. The change of contract of hire must be substantial in nature and could involve changes in working hours, shifts, remuneration, location of employment, drastic modification in type of work, etc. Minor changes in a worker's routine on the job would not constitute a change of contract of hire.

The claimant was going to be demoted from her job as swing manager because she was dishonest with the employer during the investigation into the cash handling situation. This impaired her credibility and brought her integrity into question. Her decision to quit because of the demotion is not good cause attributable to the employer. When an employer demotes an employee for misconduct warranting discharge, an employee who subsequently leaves employment does so without good cause attributable to the employer, and is disqualified from receiving unemployment benefits. Goodwin v. BPS Guard Services, Inc., 524 N.W.2d 28 (Minn. App. 1994). The claimant is disqualified.

Iowa Code section 96.3-7 provides:

7. Recovery of overpayment of benefits. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

The claimant has received unemployment benefits to which she is not entitled. These must be recovered in accordance with the provisions of Iowa law.

DECISION:

The representative's decision of July 20, 2007, reference 01, is reversed. Casyedrea Bloch is disqualified and benefits are withheld until she has earned ten times her weekly benefit amount, provided she is otherwise eligible. She is overpaid in the amount of \$837.00.

Bonny G. Hendricksmeier
Administrative Law Judge

Decision Dated and Mailed

bgh/kjw