

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

HENRY L. REECE

Claimant

RYDER INTEGRATED LOGISTICS, INC.

Employer

**DIA APPEAL NO. 21IWDUI2078
IWD Appeal No. 21A-UI-07016**

**ADMINISTRATIVE LAW JUDGE
DECISION**

**OC: 01/10/21
Claimant: Appellant (2)**

Iowa Code § 96.5(2)a – Discharge for Misconduct
Iowa Admin. Code r. 871-24.32(1)a – Discharge for Misconduct

STATEMENT OF THE CASE:

Claimant filed an appeal from the March 4, 2021, (reference 01) unemployment insurance decision that denied unemployment insurance benefits based upon a finding for misconduct. A hearing was held on April 28, 2021, and the entire administrative file was admitted into the record. The Claimant appeared and presented testimony. No representative appeared for the employer, and the employer submitted no documents. The matter is now fully submitted.

ISSUE:

Was the separation a layoff, discharge for misconduct, or voluntary quit without good cause?

FINDINGS OF FACT:

The claimant was employed at Ryder Integrated Logistics from October 2018 until his termination in January 2021. He was a full time employee working 40 hours per week with mandatory overtime. The claimant was hired as an inbound operator, where his job was to empty the trucks and place items in the warehouse. (Reece testimony).

After less than one year on the job, the claimant's employer asked him to be an outbound operator. According to the claimant, he did not want to perform this position, but did so because his employer asked him to do so. He began struggling in this new position, so asked his employer multiple times if he could switch back to his original position; he was informed that he could not. The employer let go of a lot of people and the company was short staffed, so the remaining employees had to begin performing more jobs. The claimant began doing outbounds, inbounds, displays, and case pick, all of which were different jobs. (Reece testimony).

On the day of his termination, the claimant was told that he did not perform up to the day's specifications. He was performing at 85% for an outbound operator, not 90%. The claimant understood that, but explained that he was working as hard as he could, as he as doing his job

plus many others. He received no prior warnings regarding his job performance, nor indication that termination was a possibility. (Reece testimony).

REASONING AND CONCLUSIONS OF LAW:

Iowa Code section 96.5(2)a provides:

An individual shall be disqualified for benefits, regardless of the source of the individual's wage credits:

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 disqualification shall continue 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 provides in relevant part:

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).

Where an individual is discharged due to a failure in job performance, proof of that individual's ability to do the job is required to justify disqualification, rather than accepting the employer's subjective view. To do so is to impermissibly shift the burden of proof to the claimant. *Kelly v. Iowa Dep't of Job Serv.*, 386 N.W.2d 552 (Iowa Ct. App. 1986).

The employer bears the burden of proving that a claimant is disqualified from receiving benefits because of substantial misconduct within the meaning of Iowa Code section 96.5(2). *Myers v. Emp't Appeal Bd.*, 462 N.W.2d 734, 737 (Iowa Ct. App. 1990). The issue is not whether the employer made a correct decision in separating claimant, but whether the claimant is entitled to unemployment insurance benefits. *Infante v. Iowa Dep't of Job Serv.*, 364 N.W.2d 262 (Iowa Ct. App. 1984). What constitutes misconduct justifying termination of an employee and what misconduct warrants denial of unemployment insurance benefits are two separate decisions. *Pierce v. Iowa Dep't of Job Serv.*, 425 N.W.2d 679 (Iowa Ct. App. 1988).

Because our unemployment compensation law is designed to protect workers from financial hardships when they become unemployed through no fault of their own, we construe the provisions "liberally to carry out its humane and beneficial purpose." *Bridgestone/Firestone, Inc. v. Emp't Appeal Bd.*, 570 N.W.2d 85, 96 (Iowa 1997). "[C]ode provisions which operate to work a forfeiture of benefits are strongly construed in favor of the claimant." *Diggs v. Emp't Appeal Bd.*, 478 N.W.2d 432, 434 (Iowa Ct. App. 1991).

Analyzing this case is made more difficult due to the employer's failure to participate in this hearing. As such, the undersigned relied solely on the administrative record, including the documents submitted during the fact-finding interview, as well as the testimony of the claimant.

The employer failed to specify that conduct for which the claimant was discharged. According to the claimant, he was terminated when his performance did not meet a certain percentage. He received no prior warnings regarding his job performance, nor indication that termination was a possibility. The employer did not submit a handbook or regulations outlining the company policy. The employer failed to meet its burden of proof in establishing disqualifying job misconduct. Thus, IWD's decision must be REVERSED.

DECISION:

The March 4, 2021, (reference 01) unemployment insurance decision is REVERSED. Claimant was discharged from employment for no disqualifying reason. Benefits are allowed, provided he is otherwise eligible. Any benefits claimed and withheld on this basis shall be paid.



Kathleen M. O'Neill
Administrative Law Judge

May 3, 2021
Decision Dated and Mailed