

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

CHRISTINE J. LAW
Claimant

ACRO SERVICE CORPORATION
Employer

Case No. 21IWDUI2037

APPEAL 21A-UI-04917

**ADMINISTRATIVE LAW JUDGE
DECISION**

OC: 09/22/20
Claimant: Appellant (2)

Iowa Code § 96.5(2)a – Discharge for Misconduct
Iowa Code § 96.5(1) – Voluntary Quitting

STATEMENT OF THE CASE:

The claimant/appellant filed an appeal from the January 29, 2021 (reference 04) unemployment insurance decision denying benefits on the basis that the claimant left her employment voluntarily on September 21, 2020. The parties were properly notified of the hearing. A telephone hearing was held on April 5, 2021. The claimant, Christine Law, participated personally. The employer, ACRO Service Corporation (ACRO) did not participate in the hearing. The administrative law judge took administrative notice of the claimant's unemployment insurance benefits records including the fact-finding documents.

ISSUES:

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

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds:

ACRO is a staffing agency based in Michigan. In July 2019, ACRO hired Law to work in a temporary, long-term capacity as a tier II customer service supervisor for John Deere Financial Services, Inc. (John Deere) in Johnston, Iowa. ACRO told Law at the time of hire that she would be placed in the John Deere position for 24 months. Law worked full-time, Monday through Friday. Her shifts rotated month-to-month, beginning either at 7:00 a.m., 8:00 a.m. or 9:00 a.m.

Law's job duties for John Deere included resolving escalated complaints received from members of the public and dealers who had purchased John Deere products. These complaints originated either by phone or email, and came to Law after a tier I representative was unable to appease the customer.

Law initially worked on-site in John Deere's Johnston, Iowa facility, shifting to remote work as of March 13, 2020. She then worked without incident until September 2020.

On September 21, 2020, Law logged out of the system as usual for her mid-afternoon break. When her break was over, she was unable to re-connect to the network. She tried calling both her direct supervisor, Pom Levon, and her team lead, but was unable to reach either person. She then called tech support, and was told she had been “hard-coded” and removed from the system. Approximately one minute after disconnecting from tech support, an ACRO representative contacted Law and told her John Deere had “ended” her contract. No reason was given.

After talking with the ACRO representative, Law again tried reaching several people at John Deere to no avail. She later received emails from coworkers telling Law they were surprised to hear Law had been terminated, but had no additional information. ACRO placed Law in a new, long-term customer service position with Iowa Workforce Development on November 2, 2020. Law voluntarily quit *that* position a short time later due to concerns about COVID protocol.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes Law did not quit her job but was discharged from employment for no disqualifying reason. Benefits are allowed.

Iowa Code § 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.

Iowa Code § 96.5(1) (2021). Section 96.5(2)(a) provides in turn:

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.

Iowa Code § 96.5(2)a (2021). First it must be determined whether Law quit or was discharged from employment. The employee bears the burden to meet the basic eligibility requirements under Iowa Code § 96.4. It is the employer’s burden to prove the claimant is disqualified for benefits pursuant to § 96.5(2)a. In the case of a voluntary quit, the employee must prove he or she quit with good cause attributable to the employer. Iowa Code § 96.6(2) (2021).

A voluntary quitting means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer and requires an intention to terminate the employment. *Wills v. Emp’t Appeal Bd.*, 447 N.W. 2d 137, 138 (Iowa 1989). In addition to a showing of intent, a voluntary leaving of employment also requires an overt act of carrying out that intention. *Local Lodge #1426 v. Wilson Trailer*, 289 N.W.2d 608, 612 (Iowa 1980). Where a claimant walked off the job without permission before the end of his shift saying he wanted a meeting with management the next day, the Iowa Court of Appeals ruled this was not a voluntary quit because the claimant’s expressed desire to meet with management was evidence that he wished to maintain the employment relationship. Such cases must be

analyzed as a discharge from employment. *Peck v. Emp't Appeal Bd.*, 492 N.W.2d 438, 440 (Iowa Ct. App. 1992).

Here, Law testified credibly that she did not quit her job with John Deere, but rather was terminated. After unsuccessfully attempting to log back into the company's computer system, Law attempted to reach several people to find out what had happened. She ultimately was informed by tech support personnel that she had been "hard-coded" and removed from John Deere's system. An ACRO representative then informed her that John Deere had "ended" the contract. Were it not for the termination, Law planned to continue working for John Deere for the remainder of the 24-month contract period.

Accordingly, Law's claim for benefits must be evaluated as a discharge. Iowa Code § 96.5(2)a provides that an individual will be disqualified for benefits following a termination: "If the department finds that the individual has been discharged for misconduct in connection with the individual's employment." Iowa Code § 96.5(2)a.

Iowa Admin. Code r. 871-24.32(1)a defines "misconduct" in this context as:

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.

Iowa Admin. Code r. 871-24.32(1)a. 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).

As recently clarified by the Iowa Supreme Court: "The standard an employer must meet to sustain disqualification for unemployment benefits is more demanding than the standard ordinarily required to support a termination of employment for just cause." *Irving v. Employment Appeal Bd.*, 883 N.W.2d 179. 195-96 (2016); see also *Gaborit v. Employment Appeal Bd.*, 743 N.W.2d 554, 558 (Iowa Ct. App. 2007) (violation of known work rule does not establish *per se* disqualification from receiving unemployment compensation). "Unemployment statutes should be interpreted liberally to achieve the legislative goal of minimizing the burden of involuntary unemployment." *Cosper v. Iowa Dep't of Job Serv.*, 321 N.W.2d 6, 10 (Iowa 1982). The employer has the burden of proof in establishing disqualifying job misconduct. *Id.* at 11.


Here, Law testified credibly she was terminated for an unknown reason by John Deere on the afternoon of September 21, 2020. No reason has been provided by ACRO or John Deere, and Law could not speculate as to the cause. Without more, the fact John Deere may have considered Law's job performance to be unsatisfactory does not establish that she acted with "willful or wanton disregard" of ACRO's or John Deere's interests, however, creating a "material breach" of her employment duties. Nor has ACRO proved she acted with wrongful intent or evil design. See, e.g., *Billingsley v. Iowa Dep't of Job Servs.*, 338 N.W.2d 538, 540 (Iowa Ct. App.

1983) (distinguishing between standard for discharging an employee for known violation of work rules and standard to establishing misconduct sufficient to deny unemployment compensation). Rather, Roberts testified credibly that he attempted to diffuse angry or impatient claimants, but does not believe he had been given sufficient training to better manage such calls.

An employer generally may discharge an at-will employee for any non-discriminatory reason. Nevertheless, to disqualify Law from receiving unemployment benefits, it was ACRO's burden to prove Law acted with wilfull or wanton disregard of the employers' interest, or exhibited recklessness or carelessness of such a degree as to suggest wrongful intent or evil design. No such evidence exists in the present case. Accordingly, the representative's decision must be reversed.

DECISION:

The January 29, 2021 (reference 04) unemployment insurance decision is **REVERSED**. The claimant was discharged from employment for no disqualifying reason. Benefits are allowed, provided she is otherwise eligible. Any benefits claimed and withheld on this basis shall be paid.



Carla J. Hamborg
Administrative Law Judge

April 8, 2021
Decision Dated and Mailed

CJH/aa

cc: Christine J. Law, Claimant (by first class mail)
ACRO Service Corp., Employer (by first class mail)
Nicole Merrill, IWD (by email)
Joni Benson, IWD (by email)