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

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MENARD INC 3200 MANAWA CENTRE DR COUNCIL BLUFFS IA 51501

ATTORNEY JENNIFER GIEBEL 4777 MENARD DR EAU CLAIRE WI 54703-9625 Appeal Number: 04A-UI-06294-BT

OC: 05/09/04 R: 01 Claimant: Respondent (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*, 4<sup>th</sup> 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.
- 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.
- 4. 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 for Misconduct

# STATEMENT OF THE CASE:

Menard, Inc. (employer) appealed an unemployment insurance decision dated May 26, 2004, reference 01, which held that David Wallace (claimant) was eligible for unemployment insurance benefits. After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on July 1, 2004. The claimant participated in the hearing. The employer participated through Tom Groepper, General Manager, and Jennifer Giebel, Store Counsel. Employer's Exhibit One was admitted into evidence.

#### FINDINGS OF FACT:

The administrative law judge, having heard the testimony and considered all of the evidence in the record, finds that: The claimant was employed as a full-time commercial contractor service representative from August 18, 1997 through April 30, 2004. He was discharged for several policy violations committed on April 28, 2004. The claimant had access to the employer's contractor truck to conduct his business, but the truck was not to be used as a delivery vehicle. The employer had a delivery service that is to be utilized, but sometimes with the general manager's approval, the truck can be used to correct a delivery problem. On April 28, 2004, the claimant went with his co-worker, who performed the same job, and they delivered a heavy load of timbers. The claimant and his co-worker should not have been in the truck together, but additionally, the load was too heavy for the truck and no permission had been obtained. A further violation was that the merchandise was taken from the store without payment. The claimant and his co-worker stopped at the co-worker's house before making the delivery and the claimant took the co-worker's motorcycle for a ride, even though he had no license to operate a motorcycle. The claimant was in an accident when he was on the motorcycle and still on company time. He was subsequently discharged and charged with driving without a license.

### REASONING AND CONCLUSIONS OF LAW:

The issue is whether the employer discharged the claimant for work-connected misconduct. A claimant is not qualified to receive unemployment insurance benefits if an employer has discharged the claimant for reasons constituting work-connected misconduct. Iowa Code Section 96.5-2-a.

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 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 Department of Job Service, 275 N.W.2d 445, 448 (Iowa 1979).

The employer has the burden to prove the claimant was discharged for work-connected misconduct as defined by the unemployment insurance law. Cosper v. Iowa Department of Job Service, 321 N.W.2d 6 (Iowa 1982). The propriety of a discharge is not at issue in an unemployment insurance case. An employer may be justified in discharging an employee, but the employee's conduct may not amount to misconduct precluding the payment of unemployment compensation. The law limits disqualifying misconduct to willful wrongdoing or repeated carelessness or negligence that equals willful misconduct in culpability. Newman v. lowa Department of Job Service, 351 N.W.2d 806 (Iowa App. 1984).

The claimant was discharged for multiple policy violations on April 28, 2004. He left work with a co-worker when he should have been working at the counter. They used the contractor truck for a delivery, the merchandise was too heavy for the truck, no permission had been obtained, no payment had been made for the merchandise, and he then violated the law by driving the claimant's motorcycle, during work hours, and ultimately wrecked the motorcycle. He exposed the employer to possible legal liability and the fact that he knowingly drove the motorcycle in violation of the law, takes it far beyond a good faith error in judgment. The claimant's actions demonstrate a willful and material breach of the duties and obligations to the employer and a substantial disregard of the standards of behavior the employer had the right to expect of the claimant. Work-connected misconduct as defined by the unemployment insurance law has been established in this case and benefits are denied.

## **DECISION:**

The unemployment insurance decision dated May 26, 2004, reference 01, is affirmed. The claimant is not eligible to receive unemployment insurance benefits because he was discharged from work for misconduct. Benefits are withheld until he has worked in and been paid wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible.

sdb/b