

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**TED H DEETS**

Claimant

**APPEAL NO. 09A-UI-07757-CT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**CHRISTIAN RETIREMENT SERVICES INC**

Employer

**OC: 02/01/09**

**Claimant: Appellant (4)**

Section 96.5(5) – Severance Pay

**STATEMENT OF THE CASE:**

Ted Deets filed an appeal from a representative's decision dated May 15, 2009, reference 02, which held he was ineligible to receive job insurance benefits for the week ending February 21, 2009 because of his receipt of severance pay from Christian Retirement Services, Inc. After due notice was issued, a hearing was held by telephone on June 15, 2009. Mr. Deets participated personally. The employer participated by Lisa Chapman, Business Manager.

**ISSUE:**

At issue in this matter is whether Mr. Deets' severance pay was correctly deducted from his job insurance benefits.

**FINDINGS OF FACT:**

Having heard the testimony and having reviewed all of the evidence in the record, the administrative law judge finds: Mr. Deets' last day of work for Christian Retirement Services, Inc. was February 4, 2009. In conjunction with his separation, he was paid vacation pay in the gross amount of \$524.16, which represented 48 hours of accrued vacation time. He typically worked a Tuesday through Saturday schedule.

Mr. Deets was also paid severance pay in the gross amount of \$873.60, which represented ten days of pay. The employer designated the vacation pay to cover the period from February 5 through February 12, 2009. The severance pay was designated for the period from February 13 through February 22, 2009. When filing his weekly claims for job insurance benefits, Mr. Deets reported vacation pay for each of the four weeks ending February 28, 2009. He was not paid job insurance benefits for any of the three weeks ending February 21, 2009. He was paid \$289.00 in benefits for the week ending February 28, 2009.

**REASONING AND CONCLUSIONS OF LAW:**

Severance pay is deductible from job insurance benefits on a dollar-for-dollar basis. 871 IAC 24.13(3)c. Vacation pay is deducted first when paid with other amounts in conjunction with the separation. The severance pay is deducted beginning with the first workday following the

last day worked, or last day of vacation, and for each workday thereafter until the full amount is exhausted.

Mr. Deets had four days of vacation pay, three of which would be deducted for February 5, 6, and 7. The remaining day would be deducted for February 10. Four of the ten days of severance pay would be deducted for February 11, 12, 13, and 14. Five days of severance pay would be deducted for February 17 through 21. The remaining day of severance pay would be deducted for February 21.

Mr. Deets' weekly job insurance benefit amount is \$289.00. The day of severance pay for February 21, \$87.36, would be deducted from benefits due for the week ending February 28, 2009. Because Mr. Deets received his full job insurance benefit for the week, he has been overpaid \$87.00. He properly reported vacation pay for the week and it was initially deducted. However, the amount deducted was subsequently paid to him on or about May 18, 2009.

For the reasons stated herein, Mr. Deets was not eligible to receive benefits for the week ending February 21, 2009. Because he reported his receipt of severance pay, he was not paid job insurance benefits for the week. As such, there is no resulting overpayment. He was, however, overpaid \$87.00 for the week ending February 28, 2009 because he had one day of severance pay attributable to that week.

**DECISION:**

The representative's decision dated May 15, 2009, reference 02, is hereby modified. Mr. Deets was not eligible to receive job insurance benefits for the week ending February 21, 2009. He was overpaid \$87.00 for the week ending February 28, 2009 because of his receipt of severance pay.

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Carolyn F. Coleman  
Administrative Law Judge

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Decision Dated and Mailed

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