

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

MELINDA M LYDIC
Claimant

APPEAL NO. 09A-UI-11122-CT

**ADMINISTRATIVE LAW JUDGE
DECISION**

IOWA HEART CENTER PC
Employer

OC: 03/01/09
Claimant: Appellant (4-R)

Section 96.5(7) – Vacation Pay

STATEMENT OF THE CASE:

Melinda Lydic filed an appeal from a representative's decision dated July 28, 2009, reference 02, which held she was ineligible to receive job insurance benefits for the week ending March 28, 2009 because of her receipt of vacation pay from Iowa Heart Center. After due notice was issued, a hearing was held by telephone on August 19, 2009. Ms. Lydic participated personally. The employer participated by Susan Miller, Employment and Benefits Coordinator.

ISSUE:

At issue in this matter is whether Ms. Lydic's vacation pay has been deducted for the correct period.

FINDINGS OF FACT:

Having heard the testimony and having reviewed all of the evidence in the record, the administrative law judge finds: Ms. Lydic's last day of work for Iowa Heart Center was March 2, 2009. In conjunction with her separation, she was paid her accumulated paid time off. The gross amount of \$522.18 represented 22.23 hours of pay. Other than her earned wages, she was not paid any other amounts by the employer at the time of separation. The employer indicated on the form returned to Workforce Development that the vacation pay was for March 20, 2009.

Ms. Lydic filed her claim for job insurance benefits effective March 1, 2009. She reported the vacation pay when she received it, the week ending March 21, 2009. As a result, she did not receive job insurance benefits for the week ending March 21, 2009.

REASONING AND CONCLUSIONS OF LAW:

Vacation pay is deductible from job insurance benefits on a dollar-for-dollar basis. If the employer designates a period to which the vacation payment is to be applied, an amount equal to one day's wages is deducted beginning with the first day after the last day worked until the

amount is exhausted. In the case at hand, the employer did not designate a period to which Ms. Lydic's vacation pay was to be attributed. The employer only indicated it was for March 20.

If an employer does not designate a vacation period, the entire amount of the vacation pay is attributed to the one-week period following the last day worked. Ms. Lydic's last day of work was March 2 and she had 22.23 hours of vacation pay. The entire amount of the vacation pay would be exhausted on March 3, 4, and 5. Therefore, she did not have vacation pay to be deducted after the week ending March 7, 2009.

Ms. Lydic reported the vacation pay the week ending March 21, 2009, resulting in her not receiving job insurance benefits for the week. Because she did not have vacation pay to be deducted for this week, she has been underpaid for the week ending March 21, 2009. This matter shall be remanded to Claims to make the appropriate adjustment.

DECISION:

The representative's decision dated July 28, 2009, reference 02, is hereby modified. Ms. Lydic is not eligible to receive job insurance benefits for the one week ending March 7, 2009 because of her receipt of vacation pay from Iowa Heart Center. This matter is remanded to Claims to make the appropriate adjustment for the week ending March 21, 2009.

Carolyn F. Coleman
Administrative Law Judge

Decision Dated and Mailed

cfc/pjs