IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

ANDREW D GOSCH

Claimant

APPEAL 21A-UI-03593-AD-T

ADMINISTRATIVE LAW JUDGE DECISION

WALMART INC

Employer

OC: 11/08/20

Claimant: Respondent (2)

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

STATEMENT OF THE CASE:

On January 21, 2021, Walmart Inc. (employer/appellant) filed an appeal from the January 11, 2021 (reference 01) unemployment insurance decision that allowed benefits based on a finding claimant was dismissed from work on November 7, 2020 without a showing of misconduct.

A telephone hearing was held on March 29, 2021. The parties were properly notified of the hearing. Employer participated by Coach Austin Fisk. Andrew Gosch (claimant/respondent) did not register a number for the hearing and did not participate.

Employer's Exhibits A-D were admitted. Official notice was taken of the administrative record.

ISSUE(S):

- I. Was the separation a layoff, discharge for misconduct, or voluntary quit without good cause?
- II. Was the claimant overpaid benefits? Should claimant repay benefits or should employer be charged due to employer participation in fact finding?
- III. Is the claimant eligible for Federal Pandemic Unemployment Compensation?

FINDINGS OF FACT:

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

Claimant worked for employer as a full-time overnight stocker. Claimant's first day of employment was on or about October 7, 2019. The last day claimant worked on the job was on or about November 7, 2020. Claimant's immediate supervisor was Aaron Hall. Claimant separated from employment on that date. Claimant was discharged on that date.

Claimant was discharged due to failing to properly record his meal periods after being warned to do so. This resulted in claimant either not reporting meal periods or reporting inaccurate periods.

Claimant's failure to properly record them by clocking in and out made it appear claimant was not taking mandated breaks and also resulted in him taking longer breaks than allowed.

Claimant has not filed a weekly claim for benefits and so has not been paid regular, state unemployment benefits on the current claim.

REASONING AND CONCLUSIONS OF LAW:

For the reasons set forth below, the January 11, 2021 (reference 01) unemployment insurance decision that allowed benefits based on a finding claimant was dismissed from work on November 7, 2020 without a showing of misconduct is REVERSED.

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

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).

The employer bears the burden of proving that a claimant is disqualified from receiving benefits because of substantial misconduct within the meaning of lowa Code section 96.5(2). *Myers v. Emp't Appeal Bd.*, 462 N.W.2d 734, 737 (lowa 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).

Misconduct serious enough to warrant discharge is not necessarily serious enough to warrant a denial of job insurance benefits. Such misconduct must be "substantial." *Newman v. lowa Dep't of Job Serv.*, 351 N.W.2d 806 (lowa Ct. App. 1984). The focus is on deliberate, intentional, or culpable acts by the employee. When based on carelessness, the carelessness must actually indicate a "wrongful intent" to be disqualifying in nature. *Newman, Id.* In contrast, 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. *Newman, Id.*

When reviewing an alleged act of misconduct, the finder of fact may consider past acts of misconduct to determine the magnitude of the current act. *Kelly v. Iowa Dep't of Job Serv.*, 386 N.W.2d 552, 554 (Iowa Ct. App.1986). However, conduct asserted to be disqualifying misconduct must be both specific and current. *West v. Emp't Appeal Bd.*, 489 N.W.2d 731 (Iowa 1992); *Greene v. Emp't Appeal Bd.*, 426 N.W.2d 659 (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 (lowa 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 (lowa Ct. App. 1991).

Employer has carried its burden of proving claimant is disqualified from receiving benefits because of a current act of substantial misconduct within the meaning of Iowa Code section 96.5(2).

Claimant was discharged due to failing to properly record his meal periods after being warned to do so. This resulted in claimant either not reporting meal periods or reporting inaccurate periods. Claimant's failure to properly record them by clocking in and out made it appear claimant was not taking mandated breaks and also resulted in him taking longer breaks than allowed. The administrative law judge finds this rises to the level of substantial misconduct such that claimant is disqualified from benefits.

The issues of whether claimant has been overpaid benefits and whether employer should be charged for benefits paid need not be addressed, as claimant has not filed a weekly claim for benefits and so has not been paid regular, state unemployment benefits on the current claim.

DECISION:

The January 11, 2021 (reference 01) unemployment insurance decision that allowed benefits based on a finding claimant was dismissed from work on November 7, 2020 without a showing of misconduct is REVERSED. Claimant is disqualified from benefits from the date of separation and continuing until he earns wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible.

Andrew B. Duffelmeyer Administrative Law Judge Unemployment Insurance Appeals Bureau 1000 East Grand Avenue Des Moines, Iowa 50319-0209 Fax (515) 478-3528

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March 31, 2021

Decision Dated and Mailed

abd/kmj

Note to Claimant:

If you disagree with this decision, you may file an appeal with the Employment Appeal Board by following the instructions on the first page of this decision. If this decision denies benefits, you may be responsible for paying back benefits already received.

Individuals who are disqualified from or are otherwise ineligible for <u>regular</u> unemployment insurance benefits but who are unemployed for reasons related to COVID-19 may qualify for Pandemic Unemployment Assistance (PUA). **You will need to apply for PUA to determine your eligibility.** Additional information on how to apply for PUA can be found at https://www.iowaworkforcedevelopment.gov/pua-information.