

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

RONALD E JOELSON
Claimant

APPEAL NO. 14A-UI-10121-SWT

**ADMINISTRATIVE LAW JUDGE
DECISION**

TITAN TIRE CORPORATION
Employer

OC: 06/22/14
Claimant: Appellant (1)

Section 96.5-7 - Vacation Pay

STATEMENT OF THE CASE:

The claimant appealed an unemployment insurance decision dated September 25, 2014, reference 02, that concluded he was ineligible for benefits due to the receipt of vacation pay. A telephone hearing was held on October 20, 2014. The parties were properly notified about the hearing. The claimant participated in the hearing. No one participated in the hearing on behalf of the employer.

ISSUE:

Did the claimant receive deductible vacation pay and was it deducted correctly?

FINDINGS OF FACT:

The claimant worked full time for the employer through June 20, 2014. At the time of his separation from employment, the claimant received vacation pay of \$4,821.44, representing 208 hours of unused vacation at a rate of pay of \$23.18 per hour, which would cover the period from June 23, 2014, through July 28, 2014.

The claimant filed a new claim for unemployment insurance benefits with an effective date of June 22, 2014. His weekly benefit amount was \$408. The employer responded to the notice of claim within ten calendar days of the date that it was mailed to the employer. In its response, the employer designated the period from June 23 through July 28, 2014, as the period to which the vacation pay was to apply.

There would be \$927 per week in vacation pay for the five weeks ending July 26. The remaining \$185 would be applied to the week ending August 2.

REASONING AND CONCLUSIONS OF LAW:

Vacation pay must be deducted from unemployment insurance benefits: (1) if the employer reports the amount of vacation pay and designates the dates to which the vacation pay applies within ten days after receiving the notice of claim form and (2) if the claimant claims benefits during a week the employer designates for vacation pay. If an employer does not designate the

dates to which vacation pay applies by the ten-day deadline, the unused vacation pay must be divided by five and applied to the first five working days after the claimant's last day of work. If the amount of vacation pay applied to a week is less than the claimant's weekly benefit amount, the claimant will receive an amount equal to the weekly benefit amount minus the vacation pay applied to the week. Iowa Code § 96.5-7.

In this case, the claimant received vacation pay and the employer timely designated the period to which the pay was attributable as June 23 through July 28, 2014. There is nothing unreasonable about this designation, and the claimant is, therefore, ineligible for unemployment insurance benefits for the five weeks ending July 26. He would be eligible for \$223 in benefits for the week ending August 2.

DECISION:

The unemployment insurance decision dated September 25, 2014, reference 02, is affirmed. The claimant is ineligible to receive unemployment insurance benefits for the five weeks between June 22 and July 26, 2014. He was eligible for reduced benefits of \$223 for the week ending August 2, 2014, due to the receipt of vacation pay.

Steven A. Wise
Administrative Law Judge

Decision Dated and Mailed

saw/pjs