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

BRYAN E OLMSTEAD 2211 - 229TH PLACE SUITE B BOONE IA 50036

INTERSTATE BRANDS CORP C/O FRICK, UC EXPRESS P O BOX 283
ST LOUIS MO 63166-0280

Appeal Number: 04A-UI-01587-SWT

OC 07/20/03 R 02 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*, 4th Floor—Lucas Building, Des Moines, lowa 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.
- 2. 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

STATEMENT OF THE CASE:

The employer appealed an unemployment insurance decision dated February 3, 2004, reference 05, that concluded the claimant's discharge was not for work-connected misconduct. A telephone hearing was held on March 5, 2004. The parties were properly notified about the hearing. The claimant participated in the hearing. Kelly Green participated in the hearing on behalf of the employer with a witness, Wendy Chapman.

FINDINGS OF FACT:

The claimant worked full time for the employer as a route sales representative from August 11, 2003, to January 6, 2004. Gary Taylor was the claimant's supervisor. The claimant's job was to take orders for bakery goods, deliver the products, and stock the products. Taylor had verbally warned the claimant on December 18, 2003, about not removing outdated products from a K-Mart Store.

Taylor discharged the claimant on January 6, 2004, after the sales manager at Wal-Mart asked the claimant to be removed from servicing the Wal-Mart because the store had outdated products. The store had outdated products because the claimant was constantly forced to delivered extra bread to Wal-Mart that he had not ordered. This practice known as "plused products" occurred when the bakery overproduced bread that would have to disposed of in some way. Wal-Mart bread was a private label product that the claimant could not dispose of by selling to other stores. The product would build up in the back stock of the Wal-Mart, which made it more difficult keep track of outdated product. The claimant was penalized if he brought back undelivered products. The claimant complained to Taylor repeatedly about receiving "plused product" but nothing was done to remedy the problem. The claimant did not deliberately allow outdated products in the stores on his route.

REASONING AND CONCLUSIONS OF LAW:

The issue in this case is whether the claimant was discharged for work-connected misconduct as defined by the unemployment insurance law.

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. <u>Huntoon v. Iowa Department of Job Service</u>, 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 substantial and willful wrongdoing or repeated carelessness or negligence that equals willful misconduct in culpability. Lee v. Employment Appeal Board, 616 N.W.2d 661, 665 (Iowa 2000).

While the employer may have been justified in discharging the claimant, work-connected misconduct as defined by the unemployment insurance law has not been established in this case. No willful and substantial misconduct has been proven.

DECISION:

The unemployment insurance decision dated February 3, 2004, reference 05, is affirmed. The claimant is qualified to receive unemployment insurance benefits, if he is otherwise eligible.

saw/s