

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**PENNY A WILLIAMS**

Claimant

**APPEAL NO. 11A-UI-12830-H2**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**RINGGOLD COUNTY GROUP HOME INC**

Employer

**OC: 08-28-11**

**Claimant: Respondent (1)**

871 IAC 24.26(1) – Voluntary Leaving – Change in Contract of Hire

**STATEMENT OF THE CASE:**

The employer filed a timely appeal from the September 20, 2011, reference 01, decision that allowed benefits. After due notice was issued, an in person hearing was held on November 15, 2011. The claimant did participate along with her witnesses Sharon Glick and Fred Shields. The employer did participate through Bo Conard, Administrator and Channelle Cole, House Parent.

**ISSUE:**

Did the claimant voluntary quit her employment without good cause attributable to the employer?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was employed as a training assistant full time beginning in October 2000 through August 24, 2011 when she voluntarily quit her employment. Ms. Conard was hired in July 2011 and charged by the Board of Directors with reducing costs due to economic cut backs. Several meetings were held with the employees and it was determined that the training assistant hours could be cut because they were not busy during the day when most of the residents were away. The claimant did not attend any of the meetings about the proposed cuts. The claimant's hours would be reduced but she was not going to lose her benefits. Some of her duties were also going to be changed because she was consistently over buying groceries. She had purchased so many of some canned goods, (soup and beans) that the use by date had passed and they all had to be thrown out. The claimant was not properly rotating the stock in the pantries. She was not guaranteed any particular number of hours of work per week, but had regularly and routinely worked eighty-three hours in a two-week pay period. After the changes the claimant would work between seventy-four and seventy-six hours in a two-week pay period. The claimant was not needed during the day when the clients were at another location. The employer had also begun to discipline her for smoking on the property in contravention to not only their policy, but state law. The claimant hours were not being changed as a disciplinary measure, but in an effort to deal with budget shortfall during difficult economic times.

## REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant did voluntarily leave the employment with good cause attributable to the employer.

Iowa Code § 96.5-1 provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

871 IAC 24.26(1) provides:

Voluntary quit with good cause attributable to the employer and separations not considered to be voluntary quits. The following are reasons for a claimant leaving employment with good cause attributable to the employer:

(1) A change in the contract of hire. An employer's willful breach of contract of hire shall not be a disqualifiable issue. This would include any change that would jeopardize the worker's safety, health or morals. The change of contract of hire must be substantial in nature and could involve changes in working hours, shifts, remuneration, location of employment, drastic modification in type of work, etc. Minor changes in a worker's routine on the job would not constitute a change of contract of hire.

In general, a substantial pay reduction of 25 to 35 percent or a similar reduction of working hours creates good cause attributable to the employer for a resignation. *Dehmel v. EAB*, 433 N.W.2d 700 (Iowa 1988). While the claimant was arguably being disciplined for her failure to follow some policies, particularly the no-smoking policy, her hours were being reduced to deal with budget shortfalls. Her hours were going to be reduced by roughly ten percent every pay period. Her benefits were not going to be reduced. Under the circumstances, the Administrative Law Judge concludes that the claimant's decision to quit because of the change in contract of hire was with good cause attributable to the employer. While the claimant should not be allowed to sit around and do nothing, the reduction in hours of work from the original terms of hire is considered substantial. Thus the separation was with good cause attributable to the employer. Benefits are allowed.

**DECISION:**

The September 20, 2011 (reference 01) decision is affirmed. The claimant voluntarily left her employment with good cause attributable to the employer. Benefits are allowed, provided the claimant is otherwise eligible.

---

Teresa K. Hillary  
Administrative Law Judge

---

Decision Dated and Mailed

tkh/css