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

DIANA L KENT 1092 – 3RD ST MARION IA 52302-2709

GARMAN HOMES INC 1580 HUNTINGTON HILLS DR MARION IA 52302 Appeal Number: 06A-UI-06880-H2T

OC: 06-04-06 R: 03 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, Iowa 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/Misconduct Section 96.4-3 – Able and Available Section 96.5-3-a – Work Refusal

STATEMENT OF THE CASE:

The employer filed a timely appeal from the June 29, 2006, reference 01, decision that allowed benefits. After due notice was issued, a hearing was held on July 27, 2006. The claimant did participate. The employer did participate through Amy Garman, Vice President and Secretary.

ISSUES:

Did the claimant voluntarily quit her employment for reasons that qualify the claimant to receive unemployment insurance benefits, or did the employer discharge the claimant for work-connected misconduct?

Is the claimant able to and available for work?

Did the employer's offer and the claimant's decline of the employment offer occur during an established benefit year?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was employed as a personal assistant full time beginning April 12, 2005 through May 24, 2006, when she discharged. The claimant had told Ms. Garman that at sometime in the future she was going to quit to open her own daycare business. The claimant never gave Ms. Garman any indication as to what date she would quit, but did tell her that she would provide two weeks notice before she quit. Ms. Garman, knowing that the claimant was going to quit sometime in the future hired a replacement for the claimant. The claimant found out her employment was ending when Ms. Garman told her that her replacement would start work on May 25.

After telling the claimant that her employment as the personal assistant would be ending, Ms. Garman offered her a job for \$361.00 per week to provide full-time daycare for her children and to clean her house. The job would have required the claimant to be at Ms. Garman's home all day long and would have prevented her from opening her own daycare, since she would not be allowed to bring other children to Ms. Garman's home. Additionally, the claimant would be paid approximately \$100.00 per week less than she made as a personal assistant. The claimant refused the new job duties at the lowered weekly pay. The claimant filed a claim for unemployment benefits with an effective date of June 4, 2006. The offer made to the claimant and her refusal of the offer were made prior to a claim for benefit being made.

The claimant is currently looking for full time work and is devoting no more than a couple of hours per week to starting her own daycare business. Her baby is due on September 15 but she has no current work restrictions from any physician that would prevent her from working.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant was discharged from employment for no disqualifying reason.

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 of proof in establishing disqualifying job misconduct. <u>Cosper v. lowa Department of Job Service</u>, 321 N.W.2d 6 (lowa 1982). The employer discharged the claimant and has the burden of proof to show misconduct. Misconduct serious enough to warrant discharge is not necessarily serious enough to warrant a denial of job insurance benefits. Such misconduct must be "substantial." When based on carelessness, the carelessness must actually indicate a "wrongful intent" to be disqualifying in nature. <u>Newman v. lowa Department of Job Service</u>, 351 N.W.2d 806 (lowa App. 1984). Poor work performance is not misconduct in the absence of evidence of intent. <u>Miller v. Employment Appeal Board</u>, 423 N.W.2d 211 (lowa App. 1988).

The employer effectively discharged the claimant. The claimant had never provided notice of what her last day would be. The employer's choice to terminate her employment in anticipation of her quitting is not misconduct on the part of the claimant. Benefits are allowed, provided the claimant is otherwise eligible.

For the reasons that follow, the administrative law judge concludes that the claimant is able to work and available for work.

Iowa Code section 96.4-3 provides:

An unemployed individual shall be eligible to receive benefits with respect to any week only if the department finds that:

3. The individual is able to work, is available for work, and is earnestly and actively seeking work. This subsection is waived if the individual is deemed partially unemployed, while employed at the individual's regular job, as defined in section 96.19, subsection 38, paragraph "b", unnumbered paragraph 1, or temporarily unemployed as defined in section 96.19, subsection 38, paragraph "c". The work search requirements of this subsection and the disqualification requirement for failure to apply for, or to accept suitable work of section 96.5, subsection 3 are waived if the individual is not disqualified for benefits under section 96.5, subsection 1, paragraph "h".

871 IAC 24.23(7) provides:

Availability disqualifications. The following are reasons for a claimant being disqualified for being unavailable for work.

(7) Where an individual devotes time and effort to becoming self-employed.

The claimant has no work restrictions which would prevent her from working full time, nor is she devoting any significant amount of time to becoming self-employed.

For the reasons that follow, the administrative law judge concludes claimant did not refuse a suitable offer of work.

Iowa Code section 96.5-3-a provides:

An individual shall be disqualified for benefits:

- 3. Failure to accept work. If the department finds that an individual has failed, without good cause, either to apply for available, suitable work when directed by the department or to accept suitable work when offered that individual. The department shall, if possible, furnish the individual with the names of employers which are seeking employees. The individual shall apply to and obtain the signatures of the employers designated by the department on forms provided by the department. However, the employers may refuse to sign the forms. The individual's failure to obtain the signatures of designated employers, which have not refused to sign the forms, shall disqualify the individual for benefits until requalified. To requalify for benefits after disqualification under this subsection, the individual shall work in and be paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.
- a. In determining whether or not any work is suitable for an individual, the department shall consider the degree of risk involved to the individual's health, safety, and morals, the individual's physical fitness, prior training, length of unemployment, and prospects for securing local work in the individual's customary occupation, the distance of the available work from the individual's residence, and any other factor which the department finds bears a reasonable relation to the purposes of this paragraph. Work is suitable if the work meets all the other criteria of this paragraph and if the gross weekly wages for the work equal or exceed the following percentages of the individual's average weekly wage for insured work paid to the individual during that quarter of the individual's base period in which the individual's wages were highest:
- (1) One hundred percent, if the work is offered during the first five weeks of unemployment.
- (2) Seventy-five percent, if the work is offered during the sixth through the twelfth week of unemployment.
- (3) Seventy percent, if the work is offered during the thirteenth through the eighteenth week of unemployment.
- (4) Sixty-five percent, if the work is offered after the eighteenth week of unemployment.

However, the provisions of this paragraph shall not require an individual to accept employment below the federal minimum wage.

871 IAC 24.24(8) provides:

(8) Refusal disqualification jurisdiction. Both the offer of work or the order to apply for work and the claimant's accompanying refusal must occur within the individual's benefit year, as defined in subrule 24.1(21), before the lowa code subsection 96.5(3) disqualification can be imposed. It is not necessary that the offer, the order, or the refusal occur in a week in which the claimant filed a weekly claim for benefits before the disqualification can be imposed.

The administrative law judge does not have jurisdiction to evaluate the offer or refusal of work, since the offer of employment took place outside of the benefit year. Benefits are allowed.

DECISION:

The June 29, 2006, reference 01, decision is affirmed. The claimant was discharged from employment for no disqualifying reason. The claimant is able to and available for work. The claimant did not refuse a suitable offer of work. Benefits are allowed, provided the claimant is otherwise eligible.

tkh/kjw