

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

DANIEL B BECKER
Claimant

APPEAL NO. 06A-UI-11373-DWT

**ADMINISTRATIVE LAW JUDGE
DECISION**

YMH-TORRANCE INC
Employer

**OC: 10/22/06 R: 02
Claimant: Appellant (1)**

Section 96.5-1 – Voluntary Quit

STATEMENT OF THE CASE:

Daniel B. Becker (claimant) appealed a representative's November 17, 2006 decision (reference 01 that concluded he was not qualified to receive unemployment insurance benefits, and the account of YMH-Torrance, Inc. (employer) would not be charged because the claimant voluntarily quit his employment for reasons that qualify him to receive unemployment insurance benefits. After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on December 19, 2006. The claimant participated in the hearing. Steve Gallagher, the owner, appeared on the employer's behalf. The claimant subpoenaed some documents from the employer, but the Appeals Section did not request the correct documents. The parties agreed to go forward with the hearing and if it became necessary, the claimant had the opportunity to request the correct documents. After the parties completed their testimony, the claimant did not request that the documents he initially requested be sent to him. Based on the evidence, the arguments of the parties, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

ISSUE:

Did the claimant voluntarily quit his employment for reasons that qualify him to receive unemployment insurance benefits?

FINDINGS OF FACT:

The claimant started working for the employer on June 18, 2006. Bill Mason, the general manager, personally knew the claimant and hired him. Mason was the claimant's supervisor. Part of the claimant's job was eventually to bill customers for services the employer provided to maintain or repair their equipment.

On June 30, 2006, the employer asked the claimant to increase some bills before they were sent to customers. The claimant did not believe the increase the employer wanted him to do was ethical or legal. The claimant told Mason about his concerns. The claimant also indicated that he would not do billing when he had to increase the invoice. Mason did not ask the claimant to do this kind of billing again until October 26.

When the claimant had problems with the former service manager, who had been transferred to another job, he told Mason about the problems. The three people, the former service manager, Mason and the claimant, met and discussed the claimant's concern. The claimant acknowledged that as a result of this conversation, the problems he had with the former service manager subsided at least for awhile.

During the claimant's employment, he was in training and did not have any authorization to discipline people, mechanics, he would eventually supervise. The claimant was frustrated with this situation because he observed mechanics wasting time. When the claimant talked to Mason about this, Mason did not address the problem to the claimant's satisfaction.

As of October 26, the claimant's job was not in jeopardy. On October 26, Mason gave the claimant ten invoices he wanted the claimant to input into the employer's computer system. The claimant understood if these invoices were billed to customers that day, he would receive a hundred dollar bonus. The claimant also understood that Mason wanted him to increase the total bill above the parts and labor costs. The claimant considered this to be unethical and decided to quit because he previously told the employer he would not "pad" a customer's bill and the employer again requested him to do this. Instead of waiting until Mason returned to work to talk about the invoices and enter them into the billing system later, the claimant walked off the job on October 26. The claimant did not tell Mason or Gallagher why he quit. The claimant never talked to Gallagher to express his concerns about some of the employer's billing practices. The claimant did not return to work or contact the employer again.

REASONING AND CONCLUSIONS OF LAW:

A claimant is not qualified to receive unemployment insurance benefits if he voluntarily quits employment without good cause attributable to the employer. Iowa Code § 96.5-1. The claimant quit his employment on October 26, 2006. When a claimant quits, he has the burden to establish he quit with good cause attributable to the employer. Iowa Code § 96.6-2.

The law presumes a claimant quit with good cause if he quits because of intolerable or detrimental working conditions. 871 IAC 24.26(4). The law also presumes a claimant voluntarily quits without good cause if he leaves employment because of dissatisfaction with the work environment. 871 24.25(21).

The evidence establishes that the claimant sincerely believed his supervisor padded customers' bills, which the claimant believed was not only unethical but also illegal. The claimant at no time expressed his concerns to the owner. Since the claimant personally knew his supervisor and the supervisor attempted to resolve problems between the claimant and the former service manager, it does not make any sense that the claimant did not bring his concerns to the owner who has an open door policy. If a supervisor actually illegally padded a customer's bill, the owner had the right to be advised of this practice so the owner could protect his business's reputation. Also, the evidence suggests that the claimant did not have a problem with his supervisor "padding" a bill as long as the claimant was not asked to do this. As the service manager, the claimant was potentially eligible for bonuses if the employer billed out so much money by a certain time.

While the claimant asserted the reason he walked off the job and quit on October 26 was because his supervisor asked him to "pad" some bills, the facts indicate the claimant was also frustrated with the employer's failure to give him any actual supervisory authority. The claimant failed to act in a reasonable and responsible manner when he failed to contact Gallagher about

any of his concerns. Under the facts of this case, the claimant quit for compelling personal reasons that do not qualify him to receive unemployment insurance benefits.

(Note: This decision does not address or decide whether the employer engaged in “padding” any customers’ bills.)

DECISION:

The representative’s November 17, 2006 decision (reference 01) is affirmed. The claimant voluntarily quit his employment for personal reasons that do not qualify him to receive unemployment insurance benefits. The claimant is disqualified from receiving unemployment insurance benefits as of October 22, 2006. This disqualification continues until he has been paid ten times his weekly benefit amount for insured work, provided he is otherwise eligible. The employer’s account will not be charged.

Debra L. Wise
Administrative Law Judge

Decision Dated and Mailed

dlw/css