

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

KARI NACIN
Claimant

APPEAL NO. 13A-UI-05696-HT

**ADMINISTRATIVE LAW JUDGE
DECISION**

MH EBY INC
Employer

OC: 04/21/13
Claimant: Respondent (2-R)

Section 96.5(2)a – Discharge

STATEMENT OF THE CASE:

The employer, MH Eby, Inc. (Eby), filed an appeal from a decision dated May 10, 2013, reference 01. The decision allowed benefits to the claimant, Karin Nacin. After due notice was issued, a hearing was held by telephone conference call on June 19, 2013. The claimant did not provide a telephone number where she could be contacted and did not participate. The employer participated by Office Manager Cali Arnold and Vice President Adam Anderson.

ISSUE:

The issue is whether the claimant was discharged for misconduct sufficient to warrant a denial of unemployment benefits.

FINDINGS OF FACT:

Kari Nacin was employed by Eby from May 14, 2011 until April 25, 2013 as a full-time receptionist. From August 8, 2012 through February 13, 2013, she received four written warnings regarding absenteeism, using foul language, not doing her assigned duties and failing to notify the employer her driver's license had been suspended. The last warning advised her that her job was in jeopardy.

On April 25, 2012, Office Manager Cali Arnold overheard Ms. Nacin talking with another employee about a raise that person's manager had received. Vice President Adam Anderson interviewed that employee who confirmed he had been told about his manager's raise, down to the dollar amount and added that Ms. Nacin had seemed to be very angry about it.

The company has a non-disclosure policy which prohibits employees from discussing or relaying information about the salaries of other employees. It is a zero-tolerance policy and employees violating it are subject to immediate discharge. When interviewed Ms. Nacin admitted she had been discussing the manager's salary with his subordinate but felt it was "no big deal." She was discharged for that incident as well as the other violations of company policy about which she had been warned.

Kari Nacin has received unemployment benefits since filing a claim with an effective date of April 25, 2013.

REASONING AND CONCLUSIONS OF 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.

The claimant had been advised her job was in jeopardy as a result of her numerous violations of company policy. In spite of the warnings the claimant once more violated a known policy by disclosing confidential salary information to another employee. This is a violation of the duties and responsibilities the employer has the right to expect of an employee and conduct not in the best interests of the employer. The claimant is disqualified.

Iowa Code section 96.3-7, as amended in 2008, provides:

7. Recovery of overpayment of benefits.

a. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

b. (1) If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5. However, provided the benefits were not received as the result of fraud or willful misrepresentation by the individual, benefits shall not be recovered from an individual if the employer did not participate in the initial determination to award benefits pursuant to section 96.6, subsection 2, and an overpayment occurred because of a subsequent reversal on appeal regarding the issue of the individual's separation from employment. The employer shall not be charged with the benefits.

(2) An accounting firm, agent, unemployment insurance accounting firm, or other entity that represents an employer in unemployment claim matters and demonstrates a continuous pattern of failing to participate in the initial determinations to award benefits, as determined and defined by rule by the department, shall be denied permission by the department to represent any employers in unemployment insurance matters. This subparagraph does not apply to attorneys or counselors admitted to practice in the courts of this state pursuant to section 602.10101.

The claimant has received unemployment benefits to which she is not entitled. The question of whether the claimant must repay these benefits is remanded to the UIS division.

DECISION:

The representative's decision of May 10, 2013, reference 01, is reversed. Kari Nacin is disqualified and benefits are withheld until she has earned ten times her weekly benefit amount in insured work, provided she is otherwise eligible. The issue of whether the claimant must repay the unemployment benefits is remanded to UIS division for determination.

Bonny G. Hendricksmeier
Administrative Law Judge

Decision Dated and Mailed

bgh/css