## -DECISION-

Claimant:

Decision No.:

3433-BR-11

ALEXANDRIA L FRAM

Date:

July 06, 2011

Appeal No.:

1043814

S.S. No.:

Employer:

4-M ENTERPRISES INC

L.O. No.:

63

Appellant:

Employer

Issue: Whether the claimant was discharged for misconduct or gross misconduct connected with the work within the meaning of Maryland Code, Labor and Employment Article, Title 8, Section 8-1002 or 1003.

# - NOTICE OF RIGHT OF APPEAL TO COURT -

You may file an appeal from this decision in the Circuit Court for Baltimore City or one of the Circuit Courts in a county in Maryland. The court rules about how to file the appeal can be found in many public libraries, in the <u>Maryland Rules of Procedure</u>, Title 7, Chapter 200.

The period for filing an appeal expires: August 05, 2011

### REVIEW ON THE RECORD

After a review on the record, and after deleting "or about" from the first and third sentences of the first paragraph, the Board adopts the hearing examiner's modified findings of fact. The Board makes the following additional findings of fact:

The claimant did not contact the employer at the end of her suspension to return to work in a lower position. The employer had not intended to discharge the claimant, simply to remove her from her position as manager.

The General Assembly declared that, in its considered judgment, the public good and the general welfare of the citizens of the State required the enactment of the Unemployment Insurance Law, under the police powers of the State, for the compulsory setting aside of unemployment reserves to be used for the benefit of individuals unemployed through no fault of their own. *Md. Code Ann., Lab. & Empl. Art., § 8-102(c)*. Unemployment compensation laws are to be read liberally in favor of eligibility, and disqualification provisions are to be strictly construed. *Sinai Hosp. of Baltimore v. Dept. of Empl. & Training, 309 Md. 28 (1987)*.

The Board reviews the record *de novo* and may affirm, modify, or reverse the findings of fact or conclusions of law of the hearing examiner on the basis of evidence submitted to the hearing examiner, or evidence that the Board may direct to be taken, or may remand any case to a hearing examiner for purposes it may direct. *Md. Code Ann., Lab. & Empl. Art., § 8-510(d)*; *COMAR 09.32.06.04(H)(1)*. The Board fully inquires into the facts of each particular case. *COMAR 09.32.06.02(E)*.

A threshold issue in this case is whether the claimant voluntarily quit or whether the claimant was discharged. For the following reasons, the Board affirms the hearing examiner's decision on this issue.

The burden of proof in this case is allocated according to whether the claimant voluntarily quit or whether the employer discharged the claimant. In a discharge case, the employer has the burden of demonstrating that the claimant's actions rise to the level of misconduct, gross misconduct or aggravated misconduct based upon a preponderance of the credible evidence in the record. *Hartman v. Polystyrene Products Co., Inc., 164-BH-83*; *Ward v. Maryland Permalite, Inc., 30-BR-85*; *Weimer v. Dept. of Transportation, 869-BH-87*; *Scruggs v. Division of Correction, 347-BH-89*; *Ivey v. Catterton Printing Co., 441-BH-89*.

When a claimant voluntarily leaves work, he has the burden of proving that he left for good cause or valid circumstances based upon a preponderance of the credible evidence in the record. Hargrove v. City of Baltimore, 2033-BH-83; Chisholm v. Johns Hopkins Hospital, 66-BR-89. Purely personal reasons, no matter how compelling, cannot constitute good cause as a matter of law. Bd. Of Educ. Of Montgomery County v. Paynter, 303 Md. 22 (1985). An objective standard is used to determine if the average employee would have left work in that situation; in addition, a determination is made as to whether a particular employee left in good faith, and an element of good faith is whether the claimant has exhausted all reasonable alternatives before leaving work. Board of Educ. v. Paynter, 303 Md. 22 (1985); also see Bohrer v. Sheetz, Inc., Law No. 13361, (Cir. Ct. for Washington Co., Apr. 24, 1984). The "necessitous or compelling" requirement relating to a cause for leaving work voluntarily does not apply to "good cause". Board of Educ. v. Paynter, 303 Md. 22 (1985).

The intent to discharge or the intent to voluntarily quit can be manifested by words or actions. "Due to leaving work voluntarily" has a plain, definite and sensible meaning, free of ambiguity. It expresses a clear legislative intent that to disqualify a claimant from benefits, the evidence must establish that the claimant, by his or her own choice, intentionally and of his or her own free will, terminated the employment. Allen v. Core Target Youth Program, 275 Md. 69 (1975). A claimant's intent or state of mind is a factual issue for the Board of Appeals to resolve. Dept. of Econ. & Empl. Dev. v. Taylor, 108 Md. 250(1996), aff'd sub. nom., 344 Md. 687 (1997). An intent to quit one's job can be manifested by actions as well as words. Lawson v. Security Fence Supply Company, 1101-BH-82. A resignation

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submitted in response to charges which *might* lead to discharge is a voluntary quit. *Hickman v. Crown Central Petroleum Corp.*, 973-BR-88.

The intent to discharge can be manifested by actions as well as words. The issue is whether the reasonable person in the position of the claimant believed in good faith that he was discharged. See Dei Svaldi v. Martin Taubenfeld, D.D.S., P.A., 1074-BR-88 (the claimant was discharged after a telephone conversation during which she stated her anger at the employer and the employer stated to her, "If that's the way you feel, then you might as well not come in anymore." The claimant's reply of "Fine" does not make it a quit). Compare, Lawson v. Security Fence Supply Company, 1101-BH-82. A quit in lieu of discharge is a discharge for unemployment insurance purposes. Tressler v. Anchor Motor Freight, 105-BR-83.

In its appeal, employer's counsel argues that the claimant quit; that she was not discharged. Counsel further contends that the claimant could have continued to work for the employer at the end of her one-week suspension if she had simply contacted the employer to be placed on the schedule. The Board agrees with counsel's contentions.

Here, the employer did not discharge the claimant and did not intend to discharge the claimant. The employer demoted the claimant, but offered her the opportunity to return to employment in a different, but lower, position. The claimant was suspended for disciplinary reasons which were neither arbitrary nor capricious. The claimant chose to not return to this employment. The claimant manifested her intent to quit when she did not contact the employer at the end of her suspension.

Clearly, the new position offered to the claimant was different than her prior position as manager. However, the employer wanted to retain the claimant, just not as the manager. There had been too many conflicts with other employees and those employees were refusing to work for the claimant. The employer attempted to change the claimant's management style, but the claimant continued to be overly critical and difficult with the employees.

The employer ultimately decided to replace the claimant as manager, but allow her to return after a one-week suspension as a server. The claimant knew that she was only suspended and knew that she needed to call the employer at the end of that suspension. The claimant chose to not call the employer and to not return. The claimant testified that she "assumed" she had been fired and later turned in her uniform because she did not think the employer returned her telephone calls quickly enough.

The greater weight of the credible evidence of record establishes that the claimant voluntary quit this employment when she was upset with the demotion and suspension. The claimant has not shown that she had good cause or valid circumstances for this leaving this employment.

The Board notes that the hearing examiner did not offer or admit the *Agency Fact Finding Report* into evidence. The Board did not consider this document when rendering its decision.

The Board finds based on a preponderance of the credible evidence that the claimant did not meet her burden of demonstrating that she quit for good cause or valid circumstances within the meaning of  $\delta$  8-1001. The decision shall be reversed for the reasons stated herein.

#### **DECISION**

It is held that the unemployment of the claimant was due to leaving work voluntarily, without good cause or valid circumstances, within the meaning of Maryland Code Annotated, Labor and Employment Article, Title 8, Section 1001. The claimant is disqualified from receiving benefits from the week beginning September 5, 2010 and until the claimant becomes re-employed, earns at least fifteen times their weekly benefit amount and thereafter becomes unemployed through no fault of their own.

The Hearing Examiner's decision is reversed.

Donna Watts-Lamont, Chairperson

Clayton A. Mitchell, Sr., Associate Member

Some Worth - Lamont

RD/mw

Copies mailed to:

ALEXANDRIA L. FRAM
4-M ENTERPRISES INC
ORANGE JULIUS
L. PAUL SNYDER
Susan Bass, Office of the Assistant Secretary

#### UNEMPLOYMENT INSURANCE APPEALS DECISION

ALEXANDRIA L FRAM

SSN#

Claimant

VS.

4-M ENTERPRISES INC

Employer/Agency

Before the:

Maryland Department of Labor, Licensing and Regulation Division of Appeals 1100 North Eutaw Street Room 511 Baltimore, MD 21201 (410) 767-2421

Appeal Number: 1043814 Appellant: Employer

Local Office: 63 / CUMBERLAND

CLAIM CENTER

March 17, 2011

For the Claimant: PRESENT

For the Employer: PRESENT, MARCHEL PITCHER

For the Agency:

## ISSUE(S)

Whether the claimant's separation from this employment was for a disqualifying reason within the meaning of the MD Code Annotated Labor and Employment Article, Title 8, Sections 8-1001 (voluntary quit for good cause), 8-1002 - 1002.1 (gross/aggravated misconduct connected with the work) or 8-1003 (misconduct connected with the work).

#### PREAMBLE

This matter was remanded by the Board of Appeals because the Board of Appeals was unable to review the audio recording of the December 14, 2010 hearing. As the audio recording has now been located, the original decision is being reissued to preserve the parties' right of appeal. Any party aggrieved by this decision may appeal to the Board of Appeals by following the instructions on the last page of this decision.

### FINDINGS OF FACT

The claimant began working for this employer on or about June 1, 2008. At the time of separation, the claimant was working full time as a manager of employer's restaurant. The claimant last worked for the employer on or about September 8, 2010, before being terminated under the following circumstances

On September 6, 2010, employer gave claimant a verbal warning about her management of the restaurant. Specifically, employees believed claimant was overbearing and exceeded her authority. Employees stated that a double standard existed for their behavior and the claimant's behavior.

Employer continued to receive complaints from the employees. Employer suspended claimant for one (1) week and later removed claimant from her position as manager. Employer instructed claimant to call her in one (1) week if claimant wanted to be placed on the next schedule as a regular worker at the hourly rate of \$8.00. Claimant earned \$12.00 as manager. Employer filled the position of manager shortly after claimant was suspended.

Employer and claimant did not have any further contact. The new manager told claimant to return her uniform which claimant did.

#### **CONCLUSIONS OF LAW**

Md. Code Ann., Labor & Emp. Article, Section 8-1003 provides for a disqualification from benefits where the claimant is discharged or suspended as a disciplinary measure for misconduct connected with the work. The term "misconduct" is undefined in the statute but has been defined as "...a transgression of some established rule or policy of the employer, the commission of a forbidden act, a dereliction of duty, or a course of wrongful conduct committed by an employee, within the scope of his employment relationship, during hours of employment, or on the employer's premises." Rogers v. Radio Shack, 271 Md. 126, 132 (1974).

### **EVALUATION OF EVIDENCE**

The Hearing Examiner considered all of the testimony and evidence of record in reaching this decision. Where the evidence was in conflict, the Hearing Examiner decided the Facts on the credible evidence as determined by the Hearing Examiner.

The employer had the burden to show, by a preponderance of the credible evidence, that the claimant was discharged for some degree of misconduct connected with the work within the meaning of the Maryland Unemployment Insurance Law. <u>Ivey v. Catterton Printing Company</u>, 441-BH-89. In the case at bar, that burden has not been met. Claimant was terminated on September 10, 2010 when she was removed as manager of the restaurant and a new manger was hired shortly thereafter.

Claimant was terminated because of complaints from employees. Claimant did not engage in misconduct, however, because absent some evidence of wrongdoing, dissatisfaction with a managers style of management does not constitute misconduct.

I hold that the claimant did not commit a transgression of some established rule or policy of the employer, a forbidden act, a dereliction of duty, or engage in a course of wrongful conduct within the scope of the claimant's employment relationship, during hours of employment, or on the employer's premises. No unemployment disqualification shall be imposed based on Md. Code, Ann., Labor & Emp. Article, Section 8-1003 pursuant to this separation from this employment.

## **DECISION**

IT IS HELD THAT the claimant was discharged, but not for misconduct connected with the work within the meaning of Md. Code Ann., Labor & Emp. Article, Section 8-1003. No disqualification is imposed based upon the claimant's separation from employment with the above-identified employer. The claimant is eligible for benefits so long as all other eligibility requirements are met. The claimant may contact Claimant Information Service concerning the other eligibility requirements of the law at <a href="mailto:ui@dllr.state.md.us">ui@dllr.state.md.us</a> or call 410-949-0022 from the Baltimore region, or 1-800-827-4839 from outside the Baltimore area. Deaf claimants with TTY may contact Client Information Service at 410-767-2727, or outside the Baltimore area at 1-800-827-4400.

The determination of the Claims Specialist is affirmed.

B. Woodland-Hargrove, Esq.
Hearing Examiner

# Notice of Right to Request Waiver of Overpayment

The Department of Labor, Licensing and Regulation may seek recovery of any overpayment received by the Claimant. Pursuant to Section 8-809 of the Labor and Employment Article of the Annotated Code of Maryland, and Code of Maryland Regulations 09.32.07.01 through 09.32.07.09, the Claimant has a right to request a waiver of recovery of this overpayment. This request may be made by contacting Overpayment Recoveries Unit at 410-767-2404. If this request is made, the Claimant is entitled to a hearing on this issue.

A request for waiver of recovery of overpayment does not act as an appeal of this decision.

Esto es un documento legal importante que decide si usted recibirá los beneficios del seguro del desempleo. Si usted disiente de lo que fue decidido, usted tiene un tiempo limitado a apelar esta decisión. Si usted no entiende cómo apelar, usted puede contactar (301) 313-8000 para una explicación.

## **Notice of Right to Petition for Review**

Any party may request a review <u>either</u> in person, by facsimile or by mail with the Board of Appeals. Under COMAR 09.32.06.01A(1) appeals may not be filed by e-mail. Your appeal must be filed by April 1, 2011. You may file your request for further appeal in person at or by mail to the following address:

Board of Appeals 1100 North Eutaw Street Room 515 Baltimore, Maryland 21201 Fax 410-767-2787 Phone 410-767-2781

**NOTE**: Appeals filed by mail are considered timely on the date of the U.S. Postal Service postmark.

Date of hearing: December 14, 2010

DW/Specialist ID: WCU4T

Seq No: 001

Copies mailed on March 17, 2011 to:

ALEXANDRIA L. FRAM 4-M ENTERPRISES INC LOCAL OFFICE #63 ORANGE JULIUS