

Membership Matters

Quarterly News from The 501 Alliance

March 2019

Mark Your Calendar for the Next Annual Meeting

All member agencies are invited to attend the annual meeting of The 501 Alliance on Friday, May 17, 2019. This meeting will be held from 11:00 a.m. to 11:45 a.m. at the University Club of Michigan State University in Lansing. A complimentary lunch will also be provided immediately following the meeting.

Topics of discussion include the results from the annual audit, a review of last year's claim activity, director nomination voting and the scholarship winner will be announced. An email will be sent to members in the beginning of May once the annual report becomes available, along with an invitation to attend the event. If you have any questions about the annual meeting, contact the Administrator at 800-968-9675.

New Director Elected to the Board

A new director was recently elected to the board. Please join us in welcoming Jane Fernanders, Chief Financial Officer, Black Family Development in Detroit. Ms. Fernanders works at a member agency and her employer has been a member of the group for forty years. The board and staff are both looking forward to working with her in this new role.

For a listing of all of the directors on the board, please visit our website at 501alliance.org. If you're interested in becoming a director, please contact the Administrator at 800-968-9675.

Website Resources

We wanted to remind members and provide a brief description of the resources available through our website, which includes rate projections, training courses, sample forms and the ability to post jobs. A rate projection will allow your agency to more accurately budget for unemployment expenses; the training courses will provide you with a better understanding of the unemployment claims process; the sample forms will allow your organization to document disciplinary warnings, leaves of absences and resignations; and the job postings will provide your agency with another avenue to attract job applicants.

To gain access to any of these resources, please log-in to your account at 501alliance.org and click on the appropriate link under the member menu.

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How Would You Rule?

Background:

The claimant was discharged for violation of the employer's off-duty conduct policy. She was disqualified from unemployment benefits upon a finding she was discharged for misconduct connected with work. She appealed the decision and a hearing was scheduled before an Administrative Law Judge (ALJ).

At the Hearing:

Employer's Evidence: The employer testified the claimant was employed in a position that allowed her access to the company's credit accounts. The employer maintains a policy providing some off-duty conduct, including conviction of a crime that affects the business or reflects badly upon the employer, could be grounds for termination. Pursuant to that policy, which the claimant had received at hire, the claimant reported to the employer she had been charged with embezzling from a civic organization. Subsequently, the claimant reported she had been convicted of felony theft pursuant to a plea agreement. When the employer confirmed the conviction, she was discharged for violating the policy.

Claimant's Evidence: The claimant testified she had not received the employer's policy and was unaware her conviction could result in her discharge. She also testified the crime for which she was convicted was not work-related. Additionally, the claimant testified she notified her employer of the charges three months prior to her discharge. She believed she would not be discharged for the conviction since she was not discharged after the initial charges.

The Hearing Decision:

The ALJ found the claimant was not discharged for misconduct connected with her work and she was allowed benefits. The ALJ found the claimant was not on notice her off-duty conduct could result in her discharge, as the employer failed to prove the claimant knowingly violated company policy. Therefore, the employer failed to prove her discharge was for misconduct connected with work. The employer appealed and they argued the evidence presented at the hearing proved a knowing violation of policy. The claimant admitted in her testimony she had attended yearly training during which the policy was presented.

The Board of Review Decision:

The Board of Review (BOR) disagreed with the ALJ's decision and reversed it. The employer proved the claimant was made aware of the employer's policy through yearly training. The claimant was therefore aware her conviction could result in her discharge. Additionally, the claimant's conviction was found to be work-related, as she had access to her employer's credit accounts and she was in a position of trust. The claimant's actions breached that trust that existed between her and her employer. The board found the claimant's discharge was for misconduct connected with her work.

Takeaway:

In cases involving off-duty conduct, it is important to prove the claimant was reasonably aware his/her actions off the job could affect their employment. At a hearing, be prepared to prove in some manner the claimant was reasonably on notice that his/her off-duty actions could result in termination.