



DEPARTMENT OF EMPLOYMENT AND TRAINING

STATE OF MARYLAND

BOARD OF APPEALS
1100 NORTH EUTAW STREET
BALTIMORE, MARYLAND 21201

(301) 383-5032

BOARD OF APPEALS

THOMAS W. KEECH
Chairman

HAZEL A. WARNICK

Associate Member

SEVERN E. LANIER
Appeals Counsel

MARK R. WOLF
Chief Hearing Examiner

— DECISION —

Decision No.: 347 -BR-87

Date: May 14, 1987

Appeal No.: 8607530

S. S. No.:

Claimant: Alice Decker

Employer: Maryland Cup Corporation
ATTN: Debra Markwitz, Esquire

L.O. No.: 45

Appellant: EMPLOYER

Issue: Whether the claimant was discharged for gross misconduct, or misconduct, connected with the work, within the meaning of Section 6(b) or 6(c) of the law.

— NOTICE OF RIGHT OF APPEAL TO COURT —

YOU MAY FILE AN APPEAL FROM THIS DECISION IN ACCORDANCE WITH THE LAWS OF MARYLAND. THE APPEAL MAY BE TAKEN IN PERSON OR THROUGH AN ATTORNEY IN THE CIRCUIT COURT OF BALTIMORE CITY, OR THE CIRCUIT COURT OF THE COUNTY IN MARYLAND IN WHICH YOU RESIDE.

June 13, 1987

THE PERIOD FOR FILING AN APPEAL EXPIRES AT MIDNIGHT ON

— APPEARANCES —

FOR THE CLAIMANT:

FOR THE EMPLOYER:

REVIEW ON THE RECORD

Upon review of the record in this case, the Board of Appeals reverses the decision of the Hearing Examiner.

The Board adopts the findings of fact of the Hearing Examiner. Based upon these Findings of Fact, the Board concludes that the claimant was discharged for gross misconduct, connected with the work, within the meaning of Section 6(b) of the law.

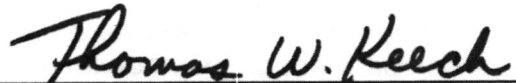
Although the claimant did not misappropriate for herself any money from the petty cash fund, she did repeatedly forge the names of company officials on the authorization forms (without their approval or knowledge) in violation of company policy. More importantly, the claimant deliberately authorized the expenditure of these funds in ways which were outside the scope of the purposes for which the fund was set up.

The Board concludes as a matter of law that this is gross misconduct, connected with the work, within the meaning of the Maryland Unemployment Insurance Law. It is clearly a "deliberate and willful disregard of" the employer's standards of behavior. Furthermore, it clearly showed a gross indifference to the employer's interest. Deliberate misuse of the employer's petty cash fund, even though done for reasons other than personal gain, is gross misconduct.

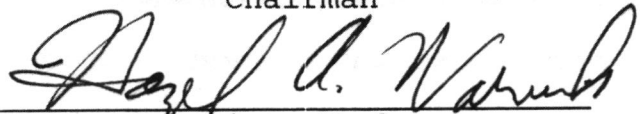
DECISION

The claimant was discharged for gross misconduct, connected with the work, within the meaning of Section 6(b) of the Maryland Unemployment Insurance Law. She is disqualified from receiving benefits from the week beginning March 23, 1986 and until she becomes reemployed, earns at least ten times her weekly benefit amount (\$1750.00) and thereafter becomes unemployed through no fault of her own.

The decision of the Hearing Examiner is reversed.



Chairman



Associate Member

K:W

kmb

COPIES MAILED TO:

CLAIMANT

EMPLOYER

UNEMPLOYMENT INSURANCE - NORTHWEST



DEPARTMENT OF EMPLOYMENT AND TRAINING

STATE OF MARYLAND
1100 NORTH EUTAW STREET
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STATE OF MARYLAND
William Donald Schaefer
Governor

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BOARD OF APPEALS

THOMAS W. KEECH
Chairman
HAZEL A. WARNICK
Associate Member
SEVERN E. LANIER
Appeals Counsel
MARK R. WOLF
Chief Hearing Examiner

— DECISION —

Claimant:

Alice Decker

Date: **Mailed March 13, 1987**

Appeal No.: **8607530**

S. S. No.:

Employer:

Maryland Cup Corporation
Attn: **Debra Markwitz, Esq.**

L.O. No.: **45**

Appellant: **Employer**

Issue:

Whether the Claimant was suspended or discharged for misconduct, or gross misconduct, within the meaning of Section 6(b) or 6(c) of the Law.

— NOTICE OF RIGHT OF FURTHER APPEAL —

ANY INTERESTED PARTY TO THIS DECISION MAY REQUEST A FURTHER APPEAL AND SUCH APPEAL MAY BE FILED IN ANY EMPLOYMENT SECURITY OFFICE, OR WITH THE APPEALS DIVISION, ROOM 515, 1100 NORTH EUTAW STREET, BALTIMORE, MARYLAND 21201, EITHER IN PERSON OR BY MAIL.

THE PERIOD FOR FILING A PETITION FOR REVIEW EXPIRES AT MIDNIGHT ON **March 30, 1987**

— APPEARANCES —

FOR THE CLAIMANT:

Present

FOR THE EMPLOYER:

**Raymond Bialick,
Lyndia Beyrodt,
William F. Weber,
Pat Evans, Karee
Ditman, Witnesses;
Debra Markwitz, Esq.**

HISTORY OF THIS CLAIM

The Claims Examiner issued a determination dated June 30, 1986, holding that the Claimant was dismissed from the employ of Maryland Cup Corporation but that there was no misconduct in connection with this dismissal and that the

Claimant was entitled to benefits without disqualification. The employer filed a timely appeal from that determination. A hearing was conducted after which Hearing Examiner Robin Brodinsky issued a decision dated August 26, 1986, holding that the Claimant was discharged for misconduct connected with her work, within the meaning of Section 6(c) of the Maryland Unemployment Insurance Law and denying benefits for the week beginning March 23, 1986, and the nine weeks immediately following. The employer filed an appeal from that decision to the Maryland Board of Appeals. The Board issued a Remand Order for a de novo hearing before a Hearing Examiner because a substantial portion of the taped testimony was inaudible, making a review of the record by the Board impossible.

On the basis of this Remand Order, a hearing was conducted, and the following decision is issued.

FINDINGS OF FACT

The Claimant was employed by the Maryland Cup Corporation from October 17, 1966, until March 27, 1986. She performed the services of a secretary and was earning \$10.36 per hour during the latter part of this employment.

Among her duties, the Claimant had certain limited responsibilities for the disbursement of a particular petty cash fund. The Claimant's function was confined to the disbursement of moneys from this fund for employee welfare purposes such as the purchase of flowers, et cetera for employees who were sick or those who were mourning the death of family members. The Claimant did not have the authority to authorize the expenditure. She was to make the disbursement from the fund only with the written authorization of particular company officials on a form designated for that purpose.

During an audit, there appeared to the auditor to be certain irregularities in the handling of expenditures from this particular petty cash fund. It was noted, for example, that purchases were made from a particular department store and that in some instances there were cash payments made instead of the traditional gift, such as flowers. Further investigation revealed that the Claimant personally wrote the name of anyone of several company officials on the authorization form which was the approving document for the expenditure. These signatures were written by the Claimant personally and without authority or knowledge of the particular official. These signatures were preceded by the words "authorized by:," and the Claimant signed the name of an official without affixing her own initials or indicating

in any other way that the particular official did not sign the document. There were a substantial number of these forms that were signed by the Claimant in this manner.

There was a meeting held on or about the Claimant's last day at work for the purpose of ascertaining whether or not there was any wrongdoing in the disbursement of these funds and to explore other aspects of this matter. The Claimant attended this meeting, as did the auditor as well as officials whose name's appeared on the authorization slips. However, the meeting closed before definite and final conclusions were drawn, and the management intended to explore the matter further.

Following this, the Claimant reported that she was ill and was off from work for an extended period of time. During her absence from work, at least two certified letters were sent by the employer to the Claimant's home inviting the Claimant to participate in an inquiry into her involvement in this matter. Although these letters were sent by certified mail, each was intercepted by the Claimant's husband and was not given to the Claimant. Following that, it was concluded by management that the Claimant had affixed names of company officials to the petty cash authorization slips as described above and without authority to do this and without telling the manager that it was being done. It was further concluded that the Claimant improperly authorized expenditures outside of the areas for which expenditures were allowed, as for example cash disbursements as distinguished from the authorized purchase of flowers.

The Claimant did not misappropriate for herself any money from the fund. She authorized expenditures which were outside of the scope for which the fund was set up, such as cash disbursements instead of a particular type of gift. She signed the name of a company official to many disbursement authorization sheets without authority or even the knowledge of the official whose name she signed. She did not signify in any way on the authorization sheet that the signature was not the genuine signature of the company official. As a result of this, the Claimant was discharged.

CONCLUSIONS OF LAW

Initially I would note that the Claimant requested a subpoena duces tecum for copies of requests from the petty cash fund showing the name and amount of the request and the authorization sheet that was attached to each such request. This subpoena duces tecum was not issued prior to the

hearing. However, these documents were either lost or inadvertently destroyed at or about the time that the Claimant's employment with Maryland Cup Corporation was ended. Therefore, it would serve no purpose to issue this subpoena, for these records are not available.

Section 6(b) of the Maryland Unemployment Insurance Law requires the denial of benefits until after reemployment when an individual is discharged for gross misconduct connected with his/her work. The term "gross misconduct" means conduct of an employee which is a deliberate and willful disregard of standards of behavior, which his employer has a right to expect, showing a gross indifference to the employer's interests, or a series of repeated violations of employment rules proving that the employee has regularly and wantonly disregarded his/her obligations. Section 6(c) of the Maryland Unemployment Insurance Law provides for a lesser disqualification when an individual is discharged for misconduct connected with his/her work. The term "misconduct" means a transgression of some established rule or policy of the employer, the commission of a forbidden act, a dereliction from duty, or a course of wrongful conduct committed by an employee within the scope of the employment relationship. The duration of the disqualification under Section 6(c) of the Law is for the week in which the individual was discharged and for not less than four nor more than nine weeks immediately following, depending upon the seriousness of the misconduct and the date of termination of employment.

Both terms, misconduct and gross misconduct, connote the element of deliberate or willful wrongdoing. The line of demarcation between the two terms depends upon whether the misconduct was so serious that it showed a gross indifference to the employer's interests or a wanton disregard of obligations to the employer.

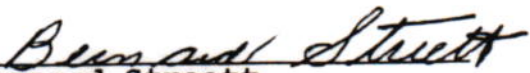
In the instant case, the Claimant was discharged because she assumed the authority to disburse expenditures of a petty cash fund although she knew that she did not have this authority. She affixed signatures of company officials to the authorization document signifying that the official had authorized the expenditure. This was wrong, and the Claimant knew it. Finally, she authorized expenditures from this fund in ways that were not authorized, although there is no evidence to indicate that she ever exceeded the amount of money that was authorized. I construe this to be misconduct within the meaning of Section 6(c) of the Law, which justifies the maximum disqualification under that section.

8607530

Finally, I would note from a review of claims office documents submitted in connection with this appeal, that the disqualification may expire prior to the date of the Claimant's original claim. This is of no consequence in assessing the disqualification which is contingent upon the seriousness of the misconduct.

DECISION

The Claimant was discharged for misconduct connected with her work, within the meaning of Section 6(c) of the Maryland Unemployment Insurance Law. She is disqualified from receiving benefits from the week beginning March 23, 1986, and for the nine weeks immediately following. This decision replaces the decision that was issued on August 26, 1986.


Bernard Streett
Hearing Examiner

Date of hearing: 2/9/87
Cassette: 842 (McMillan)
Copies mailed on March 13, 1987 to:
Claimant
Employer
Unemployment Insurance - Northwest
Board of Appeals