IN THE COURT OF APPEALS OF IOWA

FILED
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CLERK SUPREME COURT

No. 5-177 / 94-1198

JIMMIE L. ETTER,
Petitioner-Appellant,

v.

EMPLOYMENT APPEAL BOARD,
Appellee-Respondent,

MAYTAG DAIRY FARMS, INC.,
Respondent.

Appeal from the Iowa District Court for Jasper County, Jerrold W. Jordan, Judge.

Etter appeals a district court decision on judicial review affirming the Employment Appeal Board's denial of his claim for unemployment benefits. **AFFIRMED.**

Dennis F. Chalupa and John H. Terpstra of Brierly Law Office, Newton, for appellant.

Joe E. Smith, Des Moines, for appellee-Employment Appeal Board.

Heard by Habhab, P.J., and Cady and Huitink, JJ.

HUITINK, J.

Jimmie Etter appeals a district court decision on judicial review affirming the Employment Appeal Board's denial of his claim for unemployment benefits. We affirm.

Etter worked for Maytag Dairy Farms as a cheese maker and assistant plant supervisor. Maytag made changes in its employees' health insurance program which proved unpopular with the employees. The company scheduled a mandatory meeting during working hours to allow a health insurance representative to discuss the changes and field employee questions.

Etter refused requests by the plant supervisor, Monte McIntyre, and Maytag's president, James Stevens, to attend the meeting. He performed his normal duties instead. McIntyre admitted the subject matter of the meeting was also covered in written materials outlining the changes. Etter also refused to meet with Stevens the next day about the matter. Maytag subsequently terminated Etter for insubordination.

Etter filed a claim for unemployment benefits. Maytag resisted, claiming Etter was disqualified from receiving benefits because he was discharged for misconduct. The administrative law judge affirmed a claims deputy's decision denying benefits. The Employment Appeal Board affirmed on appeal, and the district court affirmed on judicial review.

Our review of the district court's decision is limited to corrections of errors at law. *Roberts v. Iowa Dep't of Job Serv.*, 356 N.W.2d 218, 221 (Iowa 1984). We, like

the district court, are bound by the agency's fact findings if those findings are supported by substantial evidence. Iowa Code § 17A.19(8)(f) (1993). Evidence is substantial if a reasonable person would find it adequate for reaching a decision. *Peoples Memorial Hosp. v. Iowa Civil Rights Comm'n*, 322 N.W.2d 87, 91 (Iowa 1982).

We review the district court's decision on the validity of an agency action to determine only whether the court correctly applied the law. *Henry v. Iowa Dep't of Transp. M.V.D.*, 426 N.W.2d 383, 385 (Iowa 1988). We apply the standards of section 17A.19(8) to determine whether our conclusions are the same as those of the district court. *Id.*

Etter contends the agency's determination that he committed disqualifying misconduct was not supported by substantial evidence. We disagree.

Iowa Code section 96.5(2)(a) (1993) provides that an individual is disqualified from receiving benefits if the individual has been discharged for misconduct in connection with employment. Misconduct is defined as:

> 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 to show an intentional and substantial disregard of the employer's interests or of the employee's duties and obligations to the employer.

345 Iowa Admin. Code 4.32(1)(a). Our supreme court has cited this definition with approval in numerous cases. *Kleidosty v. Employment Appeal Bd.*, 482 N.W.2d 416, 417 (Iowa 1992) (citations omitted).

Misconduct must be substantial to justify a denial of unemployment benefits. Misconduct serious enough to warrant discharge of an employee is not necessarily enough to warrant a denial of benefits. *Breithaupt v. Employment Appeal Bd.*, 453 N.W.2d 532, 535 (Iowa App. 1990). An employer has the burden of proving a claimant is disqualified for benefits because of misconduct. *Sallis v. Employment Appeal Bd.*, 437 N.W.2d 895, 896 (Iowa 1989).

Willful misconduct can be established where an employee manifests an intent to disobey the reasonable instructions of his employer. *Myers v. Iowa Dep't of Job Serv.*, 373 N.W.2d 507, 510 (Iowa App. 1985). However, "an employee's failure to perform a specific task may not constitute misconduct if such failure is in good faith or for good cause." *Woods v. Iowa Dep't of Job Serv.*, 327 N.W.2d 768, 771 (Iowa App. 1982).

After considering the record in this case we find substantial evidence of misconduct. Etter deliberately refused to attend a mandatory meeting regarding Maytag's health plan despite express instructions to do so. These instructions were reasonable in light of the significance of the matters to be discussed, the time of the meeting, and Etter's supervisory status. His absence arguably frustrated Maytag's efforts to resolve this dispute. Etter held an influential position with Maytag. His unilateral decision to disregard these instructions because he believed he was already familiar with the subject matter of the meeting does not excuse his insubordination.

We hold the district court correctly affirmed the Employment Appeal Board's decision denying Etter employment benefits. Any other issues Etter may have raised are either covered by this opinion or are without merit.

The district court is affirmed. Costs of this appeal are assessed to Etter.

AFFIRMED.