

EMPLOYMENT APPEALS BOARD DECISION
2026-EAB-0175

Reversed
No Disqualification

PROCEDURAL HISTORY: On December 16, 2025, the Oregon Employment Department (the Department) served notice of an administrative decision concluding that claimant voluntarily quit work without good cause and was therefore disqualified from receiving unemployment insurance benefits from November 2, 2025 to October 31, 2026 (decision # L0014987237). Claimant filed a timely request for hearing. On February 17, 2026, ALJ Laurie-Gardiner conducted a hearing at which the employer failed to appear, and on February 18, 2026 issued Order No. 26-UI-320561, modifying decision # L0014987237 by concluding that claimant quit work without good cause and was disqualified from receiving benefits effective October 12, 2025, and until requalified. On February 23, 2026, claimant filed an application for review with the Employment Appeals Board (EAB).

WRITTEN ARGUMENT: Claimant's argument contained information that was not part of the hearing record and did not show that factors or circumstances beyond claimant's reasonable control prevented them from offering the information during the hearing. Under ORS 657.275(2) and OAR 471-041-0090 (May 13, 2019), EAB considered only information received into evidence at the hearing. EAB considered any parts of claimant's argument that were based on the hearing record.

FINDINGS OF FACT: (1) ADP TotalSource FL XVII, Inc., a professional employer organization, employed claimant on behalf of ROK Technologies, LLC as a client success manager from January 2023 through October 16, 2025.¹

(2) On August 11, 2025, the employer placed claimant on a 60-day performance improvement plan (PIP) due to two of claimant's clients requesting to work with a different client success manager. Claimant thereafter followed the directives of the PIP to the best of his ability.

(3) In early October 2025, as the PIP neared its end, a third client requested to work with another client success manager rather than claimant. The employer's CEO met with claimant and told him that based

¹ ROK Technologies, Inc. is referred to as "the employer" in this decision.

on his performance he faced potentially being discharged by November 30, 2025. Claimant requested that the CEO transfer him to another position, but she responded that no transfer opportunities were available to him.

(4) During their conversation, the CEO offered claimant the option to resign, with the resignation becoming effective after claimant completed the work currently assigned to him, and in exchange he would be paid his usual wages through November 30, 2025. Claimant suggested that he could complete this work by October 16, 2025, and on October 6, 2025, the parties executed a separation agreement reflecting these terms and providing that claimant's resignation would become effective on October 16, 2025.

(5) On October 16, 2025, claimant quit working for the employer as planned. Claimant received payment from the employer equivalent to what he would have received in wages through November 30, 2025.

CONCLUSIONS AND REASONS: Claimant voluntarily quit work with good cause.

A claimant who leaves work voluntarily is disqualified from the receipt of benefits unless they prove, by a preponderance of the evidence, that they had good cause for leaving work when they did. ORS 657.176(2)(c); *Young v. Employment Dept.*, 170 Or App 752, 13 P3d 1027 (2000). "Good cause . . . is such that a reasonable and prudent person of normal sensitivity, exercising ordinary common sense, would leave work." OAR 471-030-0038(4) (September 22, 2020). "[T]he reason must be of such gravity that the individual has no reasonable alternative but to leave work." OAR 471-030-0038(4). The standard is objective. *McDowell v. Employment Dept.*, 348 Or 605, 612, 236 P3d 722 (2010). Per OAR 471-030-0038(5)(b)(F), leaving work without good cause includes "[r]esignation to avoid what would otherwise be a discharge for misconduct or potential discharge for misconduct."

Claimant quit working for the employer on October 16, 2025 pursuant to the terms of a separation agreement. Although claimant entered into the agreement in response to learning that the employer likely intended to discharge him by the end of the following month, because the employer would have allowed him to continue working beyond October 16, 2025 had he not entered into the agreement, the work separation was a voluntary leaving.²

One reason claimant entered into the separation agreement was to avoid a potential discharge. Claimant asserted at hearing that he did everything possible to improve his performance during the PIP period, but that the employer measured success through client satisfaction. As the PIP was ending, a third client asked the employer to replace claimant as their client success manager, which prompted the CEO to propose the separation agreement as an "off ramp. . . to avoid a possible termination" by the end of November 2025. Audio Record at 20:00. The employer did not participate in the hearing, and the record does not suggest that they were considering discharging claimant due to any specific policy violation. The weight of the evidence supports that, to the extent claimant's work performance was responsible for

² If claimant could have continued to work for the employer for an additional period of time, the work separation is a voluntary leaving. OAR 471-030-0038(2)(a). The employer would have allowed claimant to continue working through at least November 30, 2025, but claimant elected instead to quit working on October 16, 2025 and receive compensation under the separation agreement. The work separation is therefore a voluntary leaving.

the dissatisfaction of three of his clients, the performance issues amounted to, at most, mere inefficiency resulting from lack of job skills or experience. Under OAR 471-030-0038(3)(b), such inefficiency is not misconduct.³ Therefore, claimant did not quit work to avoid a discharge or potential discharge for misconduct, and OAR 471-030-0038(5)(b)(F) does not bar a finding of good cause on that basis.

As to whether claimant's potential discharge constituted a grave situation, a claimant has good cause to quit work to avoid being discharged, not for misconduct, when the discharge was imminent, inevitable, and would be the "kiss of death" to claimant's future job prospects. *McDowell v. Employment Dep't.*, 348 Or 605, 236 P3d 722 (2010). As previously discussed, the CEO told claimant that she was proposing a separation agreement so that claimant could avoid a "possible" termination at the end of November 2025. Audio Record at 20:10. However, since the employer remained unsatisfied with claimant's performance despite his best efforts at improvement during the PIP period, and was unwilling to transfer claimant to another position, his discharge was, more likely than not, inevitable. Nonetheless, claimant asserted at hearing that he was "not necessarily" concerned that being discharged under such circumstances might impair his future employment prospects. Audio Record at 25:55. Therefore, claimant did not show that being discharged would have been the "kiss of death" to his employment prospects, and good cause for quitting work was not demonstrated under the holding in *McDowell*.

Claimant's other reason for entering into the separation agreement was to avail himself of the financial benefit it provided. The order under review concluded that this was not a reason of such gravity that claimant had no reasonable alternative but to quit when he did. Order No. 26-UI-320561 at 3. The record does not support this conclusion. Evidence regarding claimant's compensation suggests that he did not stand to potentially benefit financially by continuing to work for the employer through November 30, 2025, such as through possibly earning a commission or bonus in addition to his usual wages. To the contrary, quitting work on October 16, 2025 but receiving the equivalent of his usual wages through November 30, 2025 allowed claimant to potentially earn more during that period by working for other employers or engaging in self-employment. Under these circumstances, a reasonable and prudent person of normal sensitivity, exercising ordinary common sense, would leave work to obtain the financial benefit of the separation agreement, as claimant did. Claimant therefore faced a grave situation.

Furthermore, claimant did not have a reasonable alternative to quitting work under the terms offered by the employer. When claimant spoke with the CEO, he attempted to preserve the employment relationship indefinitely by seeking transfer to other positions when he learned it was unlikely he would be able to continue in his current position, but the CEO declined to allow any transfer, so this alternative was not available to claimant. Moreover, while claimant might have been able to prolong by a few days or weeks the effective date of his resignation while negotiating the terms of the separation agreement, it would not have been reasonable for him to do so as the employer was willing to pay his usual wages from October 17 through November 30, 2025, regardless of whether he performed any work during that period. Accordingly, claimant availed himself of all reasonable alternatives to quitting work when he did, and therefore quit with good cause.

For these reasons, claimant voluntarily quit work with good cause and is not disqualified from receiving unemployment insurance benefits based on the work separation.

³ "As used in ORS 657.176(2)(a) . . . a willful or wantonly negligent violation of the standards of behavior which an employer has the right to expect of an employee is misconduct. An act or series of actions that amount to a willful or wantonly negligent disregard of an employer's interest is misconduct." OAR 471-030-0038(3)(a).

DECISION: Order No. 26-UI-320561 is set aside, as outlined above.

S. Serres and A. Steger-Bentz;
D. Hettle, not participating.

DATE of Service: April 9, 2026

NOTE: This decision reverses the ALJ's order denying claimant benefits. Please note that in most cases, payment of benefits owed will take about a week for the Department to complete.

NOTE: You may appeal this decision by filing a Petition for Judicial Review with the Oregon Court of Appeals **within 30 days of the date of service stated above**. See ORS 657.282. For forms and information, visit <https://www.courts.oregon.gov/courts/appellate/forms/Pages/appeal.aspx> and choose the appropriate form under "File a Petition for Judicial Review." You may also contact the Court of Appeals by telephone at (503) 986-5555, by fax at (503) 986-5560, or by mail at 1163 State Street, Salem, Oregon 97301.

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Understanding Your Employment Appeals Board Decision

English

Attention – This decision affects your unemployment benefits. If you do not understand this decision, contact the Employment Appeals Board immediately. If you do not agree with this decision, you may file a Petition for Judicial Review with the Oregon Court of Appeals following the instructions written at the end of the decision.

Simplified Chinese

注意 – 本判決會影響您的失業救濟金。如果您不明白本判決，請立即聯繫就業上訴委員會。如果您不同意此判決，您可以按照該判決結尾所寫的說明，向俄勒岡州上訴法院提出司法複審申請。

Traditional Chinese

注意 – 本判決會影響您的失業救濟金。如果您不明白本判決，請立即聯繫就業上訴委員會。如果您不同意此判決，您可以按照該判決結尾所寫的說明，向俄勒岡州上訴法院提出司法複審申請。

Tagalog

Paalala – Nakakaapekto ang desisyong ito sa iyong mga benepisyo sa pagkawala ng trabaho. Kung hindi mo naiintindihan ang desisyong ito, makipag-ugnayan kaagad sa Lupon ng mga Apela sa Trabaho (Employment Appeals Board). Kung hindi ka sumasang-ayon sa desisyong ito, maaari kang maghain ng isang Petisyon sa Pagsusuri ng Hukuman (Petition for Judicial Review) sa Hukuman sa Paghahabol (Court of Appeals) ng Oregon na sinusunod ang mga tagubilin na nakasulat sa dulo ng desisyon.

Vietnamese

Chú ý - Quyết định này ảnh hưởng đến trợ cấp thất nghiệp của quý vị. Nếu quý vị không hiểu quyết định này, hãy liên lạc với Ban Kháng Cáo Việc Làm ngay lập tức. Nếu quý vị không đồng ý với quyết định này, quý vị có thể nộp Đơn Xin Tái Xét Tư Pháp với Tòa Kháng Cáo Oregon theo các hướng dẫn được viết ra ở cuối quyết định này.

Spanish

Atención – Esta decisión afecta sus beneficios de desempleo. Si no entiende esta decisión, comuníquese inmediatamente con la Junta de Apelaciones de Empleo. Si no está de acuerdo con esta decisión, puede presentar una Aplicación de Revisión Judicial ante el Tribunal de Apelaciones de Oregon siguiendo las instrucciones escritas al final de la decisión.

Russian

Внимание – Данное решение влияет на ваше пособие по безработице. Если решение Вам непонятно – немедленно обратитесь в Апелляционный Комитет по Трудоустройству. Если Вы не согласны с принятым решением, вы можете подать Ходатайство о Пересмотре Судебного Решения в Апелляционный Суд штата Орегон, следуя инструкциям, описанным в конце решения.

Khmer

ចំណុចសំខាន់ – សេចក្តីសម្រេចនេះមានផលប៉ះពាល់ដល់អត្ថប្រយោជន៍គ្មានការងារធ្វើរបស់លោកអ្នក។ ប្រសិនបើលោកអ្នកមិនយល់អំពីសេចក្តីសម្រេចនេះ សូមទាក់ទងគណៈកម្មការឧទ្ធរណ៍ការងារភ្លាមៗ។ ប្រសិនបើលោកអ្នកមិនយល់ស្របចំពោះសេចក្តីសម្រេចនេះទេ លោកអ្នកអាចដាក់ពាក្យប្តឹងសុំឲ្យមានការពិនិត្យរឿងក្តីឡើងវិញជាមួយតុលាការឧទ្ធរណ៍រដ្ឋ Oregon ដោយអនុវត្តតាមសេចក្តីណែនាំដែលសរសេរនៅខាងចុងបញ្ចប់នៃសេចក្តីសម្រេចនេះ។

Laotian

ເອົາໃຈໃສ່ – ຄຳຕັດສິນນີ້ມີຜົນກະທົບຕໍ່ກັບເງິນຊ່ວຍເຫຼືອການຫວ່າງງານຂອງທ່ານ. ຖ້າທ່ານບໍ່ເຂົ້າໃຈຄຳຕັດສິນນີ້, ກະລຸນາຕິດຕໍ່ຫາຄະນະກຳມະການອຸທອນການຈ້າງງານໃນທັນທີ. ຖ້າທ່ານບໍ່ເຫັນດີນຳຄຳຕັດສິນນີ້, ທ່ານສາມາດຍື່ນຄຳຮ້ອງຂໍການທົບທວນຄຳຕັດສິນນຳສານອຸທອນລັດ Oregon ໄດ້ໂດຍປະຕິບັດຕາມຄຳແນະນຳທີ່ບອກໄວ້ຢູ່ຕອນທ້າຍຂອງຄຳຕັດສິນນີ້.

Arabic

هذا القرار قد يؤثر على منحة البطالة الخاصة بك، إذا لم تفهم هذا القرار، إتصل بمجلس منازعات العمل فوراً، و إذا كنت لا توافق على هذا القرار، يمكنك رفع شكوى للمراجعة القانونية بمحكمة الإستئناف بأوريغون و ذلك بإتباع الإرشادات المدرجة أسفل القرار .

Farsi

توجه - این حکم بر مزایای بیکاری شما تاثیر می گذارد. اگر با این تصمیم موافق نیستید، بلافاصله با هیأت فرجام خواهی استخدام تماس بگیرید. اگر از این حکم رضایت ندارید، می‌توانید با استفاده از دستور العمل موجود در پایان آن، از دادگاه تجدید نظر اورگان درخواست تجدید نظر کنید.

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