

EMPLOYMENT APPEALS BOARD DECISION
2026-EAB-0292

Reversed
No Disqualification

PROCEDURAL HISTORY: On February 24, 2026, 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 January 18, 2026 through January 16, 2027 (decision # L0016239849). Claimant filed a timely request for hearing. On March 16, 2026, ALJ Naylor conducted a hearing at which the employer failed to appear, and issued Order No. 26-UI-323840, modifying decision # L0016239849 by concluding that claimant quit work without good cause and was disqualified from receiving benefits effective August 16, 2025, and until requalified under law. On March 25, 2026, claimant filed an application for review with the Employment Appeals Board (EAB).

WRITTEN ARGUMENT: Claimant did not state that she provided a copy of her argument to the employer as required by OAR 471-041-0080(2)(a) (May 13, 2019). The argument also contained information that was not part of the hearing record and did not show that factors or circumstances beyond claimant's reasonable control prevented her from offering the information during the hearing as required by OAR 471-041-0090 (May 13, 2019). EAB considered only the information received into evidence at the hearing. *See* ORS 657.275(2).

FINDINGS OF FACT: (1) Compass Enterprise, Inc. employed claimant as a receptionist from July 2011 through August 21, 2025.

(2) As of 2024, the employer granted claimant 22 days of paid time off (PTO) per calendar year. In January 2025, following a change in corporate ownership, claimant's PTO was reduced to 10 days per calendar year. Claimant was ill in January 2025, and exhausted her 10-day PTO balance due to that illness. Claimant was therefore not permitted to take any additional sick or vacation leave under the employer's policies until January 2026.

(3) In April 2025, claimant's family bought her and her twin sister tickets for a flight to Alaska to visit claimant's niece as a surprise birthday gift. Claimant's sister required extensive assistance in traveling

due to mobility and other health-related issues, and it was therefore necessary for claimant to accompany her on the trip. The tickets for flights in late August 2025 were not changeable or refundable, and were purchased by the family without consulting claimant. In April 2025, claimant requested unpaid time off for the dates of the trip, but the request was denied because it was made more than three months in advance of the trip. In May 2025, three months from the start of the trip, claimant again requested the time off, but the request was denied based on claimant having exhausted her PTO balance for the year in January 2025. Prior to both requests, claimant had arranged for another employee to cover her work responsibilities during her absence.

(4) In addition to the change in PTO policy, the new owners instituted other changes in early 2025 that caused claimant to feel that the work environment had become “hostile.” Audio Record at 17:20. This included forbidding claimant from greeting coworkers and asking how they were doing. The employer also limited claimant’s interactions with callers, such that she was required to take a message from each caller, rather than transferring the call to the requested party, and transmit the message through a computer program. Claimant was forbidden from being “too friendly” to the caller. Audio Record at 17:33. The employer began using artificial intelligence to review each of claimant’s calls for compliance with these expectations, and she began receiving what she felt was overly critical feedback regarding her performance after many years of consistently positive reviews.

(5) Claimant had difficulty adapting to the employer’s new procedures regarding taking and transmitting telephone messages, and made several mistakes as a result. By August 2025, claimant had been “written up” by the employer and felt that she “could do nothing right.” Audio Record at 19:35, 24:55. Although the employer did not directly express an intent to discharge claimant, she felt she was “on [her] way out the door” due to her mistakes and difficulty adapting to changes. Audio Record at 27:00.

(6) On August 21, 2025, claimant quit working for the employer. Claimant quit, in part, to proceed with the Alaska trip for which she had been denied a week of unpaid leave, and because of her displeasure with the changes in work expectations and environment.

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).

Claimant quit work due to her dissatisfaction with the work environment and changes the employer made to policies and procedures, including those resulting in a denial of claimant’s request for a week of unpaid time off to travel to Alaska. The order under review concluded that claimant’s having “become increasingly displeased with her job and work environment,” and the denial of the request for time off in particular, did not constitute a grave situation. Order No. 26-UI-323840 at 3. The record does not support this conclusion.

Claimant worked for the employer for more than 14 years, and under the policies in place in 2024, was entitled to 22 days of PTO per calendar year. The employer reduced claimant's PTO entitlement to 10 days in January 2025, and through absences due to an illness, she exhausted the balance that month, leaving her unable to take any additional paid or unpaid time off until January 2026. Furthermore, the employer's procedures changed in early 2025 such that telephone calls claimant answered could no longer be forwarded to the person requested by the caller, and claimant was instead to take a message and transmit it in writing. Claimant had difficulty keeping up with the volume of messages she was required to transmit through the computer, and was disciplined for making mistakes. Additionally, the employer prohibited claimant from being "too friendly" toward callers, and enforced this policy through artificial intelligence reviews of each call. Those reviews, and claimant's mistakes in taking and transmitting telephone messages, led to her receiving increasingly critical feedback from the employer regarding her performance. In a similar vein to the expectation regarding friendliness toward callers, the employer warned claimant and other employees against greeting coworkers or asking them how they were doing, asserting that such communications were not appropriate for the workplace.

Claimant testified that she viewed these developments as evidence that the workplace had become "hostile," and by August 2025 she feared they would ultimately result in her being discharged despite her efforts to comply with the employer's expectations. It was in this context of a fraying employment relationship that claimant faced the decision of whether she and her sister should forego the Alaska trip, resulting in the loss to their family of two non-refundable airfares, or if claimant would quit work to proceed with the trip. Under the totality of these circumstances, a reasonable and prudent person of normal sensitivity, exercising ordinary common sense, would quit work prior to the trip. Claimant therefore quit because she faced a grave situation.

Claimant did not have reasonable alternatives to leaving work when she did. Regarding the trip, claimant had twice requested unpaid leave for the week of the flights, at least three months in advance, and arranged for another employee to cover her work responsibilities while she was absent. The record does not suggest that claimant could have done anything differently to persuade the employer to allow her the time off. Moreover, concerning the general work environment, the employer appeared inflexible regarding newly implemented procedures and policies. It should have been apparent to the employer that claimant was struggling to adapt to the changes, as she continued to make mistakes and faced discipline for them. The record also suggests that the employer should have been aware of claimant's increasing displeasure with restrictions on engaging in standard social niceties with coworkers and callers to the business, but had no intention of softening those restrictions and continued to strictly enforce them, including through artificial intelligence reviews of every call. More likely than not, the employer would not have been responsive to further attempts by claimant to modify these policies or improve her perception of the work environment or the employment relationship. Accordingly, claimant did not have reasonable alternatives to quitting work when she did, and 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.

DECISION: Order No. 26-UI-323840 is set aside, as outlined above.

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

DATE of Service: May 11, 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 محكمة 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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