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For Veterans, Their Online Shopping Benefit is Finally Here!

From Director/CEO Tom Shull



In a matter of days, the Army & Air Force Exchange Service, along with our sister exchanges, will give our Nation's

Veterans the homecoming their distinguished service deserves. This Veterans Day, the lifetime online military exchange shopping benefit will be a reality for 18.5 million heroes who raised their right hands, took the oath and served with honor.

We are making history. The Veterans online shopping benefit marks the first expansion of exchange benefits in nearly 30 years. This Nov. 11—a day that has been five years in the making—is a great cause for celebration

"By shopping their Exchange online, Veterans will be making a difference for today's service members and their families."

for the Exchange, Veterans and all who wear the uniform today. All Soldiers, Airmen, Marines, Sailors and Coast Guard members who served with honor, no matter their length of service, can turn to ShopMyExchange.com for military-exclusive pricing and tax-free savings on name-brand products.

More than a quarter of a million Veterans have been verified to shop online—before the benefit even officially launched—and are reconnecting with their military community, allowing them to remain Soldiers, Airmen, Sailors, Marines and Coast Guard members for life.

For budget-constrained military Quality-of-Life programs, it's finally time. By shopping their Exchange online, Veterans will be making a difference for today's service members and their families. Increased earnings will support military Quality-of-Life programs, including Army Child Development Centers, Youth Programs and Fitness Centers, Air Force Outdoor Recreation programs, affordable school lunches for Warfighters' children overseas, combat uniforms below cost and more. In three years, the Veterans online shopping benefit is expected to generate \$20 million for these critical programs that are essential to military readiness and resiliency.

For Veterans, Their Online Shopping Benefit is Finally Here!

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For Exchange associates, it's finally time. Even before the Department of Defense approved the policy change in January, the Exchange team was preparing to welcome home our Veterans to ensure we could provide a shopping experience capable of truly honoring their service. Merchandising, eCommerce, IT, Logistics, Human Resources and other directorates have leaned forward like never before to ensure a smooth launch of this historic benefit.

The online shopping experience has been transformed with welcoming Veterans home in mind. Our customers have noticed the improvements—ShopMyExchange. com sales are up 18 percent vs. prior year. This summer, our online site became faster, easier and more robust. Today, 30,000 authorized customers of all stripes (active-duty personnel, retirees and

"For those who never received a 'thank you for serving,' it's finally time."

their families as well as Veterans) can shop ShopMyExchange.com simultaneously!

Our CONUS distribution centers have been reimagined as e-commerce fulfillment centers, with associates picking, packing and shipping online orders same day. In our brick-and-mortar locations, 53 main Exchanges designated Ship-From-Store sites are fulfilling ShopMvExchange. com orders.

For those who never received a "thank you for serving," it's finally time. While serving in the Army as a platoon leader at Fort Carson, I saw many Soldiers return broken from Vietnam. The American

public did not understand their sacrifices—and these heroes often did not receive the homecoming they so rightly deserved. Offering this shopping benefit is another way to honor the selfless sacrifices of those who serve—especially those who have served multiple tours but fell short of meeting the 20-year criteria required for retiree status.

The Denver Post recently described Army Veteran Jose Torres as a fan of the Veterans online shopping benefit. A beta shopper, Jose bought hundreds of dollars in name-brand clothes for his daughters, perfume for his wife and tools for himself.

"Once I know there is something I need, I'm always looking on (ShopmyExchange.com) first before I go anywhere else," Torres told the Post. "To me, it means a great deal. It means they are actually looking out for the Veterans."

For all of us, it's finally time. Thank you for spreading the word about the Veterans online shopping benefit. Thank you for working tirelessly to prepare for this milestone. Thank you for your commitment to serving Soldiers, Airmen, families, retirees—and now, all honorably discharged Veterans. We couldn't cross this finish line without you. On Nov. 11, we finally will.

Finally, to all who served honorably, we can say, "Welcome home!"

Soldier For Life! Veteran For Life! Exchange for Life! X



Veterans standing by the Vietnam Memorial Wall in Washington, D.C. Director/CEO Tom Shull played a key role in the building of the wall. To see a video of this story, go to the Exchange Facebook page.

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<u>Understanding Exchange Strategic Priorities</u>:

Execute the Veterans Online Shopping Benefit

By Lisa Moak

As the Veterans online shopping benefit launches Nov. 11, we celebrate the hard work Exchange associates have put into accomplishing this monumental task.

Since January, when the Undersecretary of Defense for Personnel and Readiness formally concurred with the Veterans online shopping benefit, every aspect of our business has been engaged in ensuring a successful rollout on Veterans Day.

Exchange directorates and regions have been all in, collaborating as one team, but each has accomplished separate tasks to make the launch a success:

Logistics

- Improved fulfillment and distribution capacities to ship merchandise to new online shoppers.
- Transformed distribution centers into fulfillment centers.
- Enhanced all three CONUS distribution centers to handle increased volume and create a

"Thank you for spreading the word about the Veterans online shopping benefit. Thank you for working tirelessly to prepare for this milestone."

-Director/CEO Tom Shull

better customer experience.

 Implemented a new eCommerce returns process at the CONUS distribution centers in conjunction with IT.

Human Resources

- Recruited and on-boarded over 200 new associates for the Contact Center.
- Researched, established and recruited key executive talent in various functions.
- Developed and implemented tailored customer service training to Contact Center associates.

Merchandising

Reviewed and implemented planning, allocating and

- replenishment modifications to ensure adequate inventory.
- Enhanced vendor performance management on current vendors along with adding new vendors.

eCommerce/Customer Experience

- Reviewed website modifications and call center capabilities to handle the extra customer demand of returning Veterans.
- Implemented VetVerify.org so that Veterans could authenticate their service status to begin shopping with the Exchange online on Veterans Day.
- Launched improved ShopMyExchange.com website, in conjunction with the IT team, with the features:
- Near real-time inventory.
- Better customer order fulfillment.
- Responsive design that is more customer-friendly and easier to update as customer demand changes.

Omnichannel Marketing

- Developed messaging and segment marketing strategy, with customer relations management functions and tailored communications.
- Created marketing media kits.

Information Technology

- Developed VetVerify.org.
- Upgraded ShopMyExchange. com to improve the customer experience from purchase to delivery.
- Updated ShopMyExchange.com to allow the Exchange to handle 30,000 concurrent users.

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Exchange Veterans Ready for New Customers

By Steve Smith

Charles Burnette said he and his three teammates bring a unique perspective to the MacDill AFB Exchange's Ship-from-Store department.

He, Tony Muldrow, David Prewitt and Jerome Richardson are Veterans—and who better to understand what Veterans think and want than those who served in the Nation's armed forces.

"We are all mission-oriented with a can-do attitude, encouraging each other with purpose, direction and motivation," said Burnette, a 25-year Army Veteran. "No matter if our customers are shopping online or come into the store, we strive to give both the same experience and value them both equally.

"Jerome, Tony, David and I have a one mindset and work ethic: we help each other and we are here to serve a purpose."

53 Ship-from-Store locations

MacDill's Ship-from-Store is one of 53 such locations throughout the world. To speed up delivery of products to online shoppers, the Exchange opened the first Ship-from-Store locations in 2016 at MacDill, Fla.; Nellis AFB, Nev.; Fort Belvoir, Va.; and Lackland AFB, Fla.

The latest Ship-from-Store location opened Oct. 23 at Japan's Yokota AB. The second overseas Ship-from-Store is at Germany's Ramstein AB, Germany.

At MacDill, when General Manager James Clark and Store Manager Lajima Marshall-Pierce were considering who would fit well on the Ship-from-Store team, the associates finally picked exhibited



Pictured with the Ship-from-Store associates are Director/CEO Tom Shull, ar left; Sales & Merchandise Manager Robert Jordan; General Manager James Clark; Region Vice President Jesse Martinez; Store Manager Lajima Marshall-Pierce; Eastern Region Senior Vice President Bob White; Operations Manager Sha Carter; and Chief Operating Office Dave Nelson, far right.

the skills Clark and Marshall-Pierce sought—and they happened to be all Veterans.

"Their individual, charismatic personalities and character instilled in them while in the military have carried over into the Ship from Store team," Marshall-Pierce said. "'One Team, One Fight' is their motto. I can depend on them to get the job done."

"Our Veterans understand how active duty, Reserve, Guard, dependents and retirees feel when they walk through our doors as well as the importance of a welcomed greeting and the ability to provide the goods and services desired. They all have a vast logistical background, and that knowledge



sets our Ship-From-Store team apart others. Their corporate and individual management and leadership skills in basic team building and task completion assist daily in the overall success of Team MacDill's mission."

'Unseen brotherhood'

Each associate received a coin recently from Director/CEO Tom Shull, who has made Exchange a critical priority. Ship-from-Store locations like MacDill's, where associates pick, pack and ship online orders the instant they receive them, ensure quick delivery to customers.

Richardson, who retired from the Air Force after 26 years, said he can relate to Veterans who are shopping online regardless of whether he never met them.

"All Veterans share a seen and unseen brotherhood," Richardson said. "It's a camaraderie shared and earned that cannot be bought or sold. We only want to ship the highest quality of merchandise via the most expedient means in the professional manner unique to the Exchange." X

Taking the Lead to Serve Those Who Serve

From EVP/COO Dave Nelson



Like many of you, I have tried to picture how I could apply what I've read in books and articles about

leadership to my day-to-day activities throughout my career, whether serving as a branch retail store manager, deployed general manager or when assigned to headquarters.

What I've learned along the way is leadership is not defined by job title. Every one of us has an opportunity to lead. The Army spouse who needs help loading a large purchase into his or her car, the Airman who has a question about a refund and the retiree who needs help locating an item views you as a leader. Your actions,

"Not only are you a leader for your customers, but you are leaders to your fellow associates as well."

compassion and willingness to go the extra mile will determine their satisfaction and loyalty.

The Exchange teams' actions before, during and after the recent hurricanes have been a study in leadership and dedication beyond belief. You were there, side by side, with our customers, waiting out the storms and opening at the first possible moment. Even though many suffered significant personal losses, associates came into work, not knowing if there was electricity or the condition of the building. Each of them has shown their "We Go Where

You Go" commitment to service members and their families when support was been needed most.

It doesn't take a natural disaster to demonstrate leadership and make a customer's day better. My monthly "Operation Shout-Out" messages are full of inspiring stories of associates who have gone above and beyond in the service to our customers. We receive many positive customer comments a week, highlighting how seemingly simple actions make a lasting impression.

Not only are you a leader for your customers, but you are leaders to your fellow associates. It's easy to forget as we go about our day that people are watching. When you're friendly with the mom and kids whose husband is deployed,

These three associates made a lasting impression:

- 1. "I wanted to recognize one of your employees Christina for her fantastic customer service. She is always friendly and positive with customers. Yesterday I left a small item (under 2 dollars) at the checkout corner. This morning when I walked in, she recognized me and gave me the product which she had locked away with the receipt attached. Please send my compliments to her!"
- 2. "Miss Charlene and another young lady were working on the evening of 18 Sept at Charley's, my children and I went to get dinner at about 1940 and given they close at 2000, I was rushing in and explaining to my children
- we had to hurry up, order and eat before closing. That wasn't the case at all though, we were greeted politely, no one rushed our order and they had a great attitude. Miss Charlene at Charley's was such a delight that I had to make it a point to make a positive comment about her. She is the type of person that will bring people back and in the 14 years we have been living the lovely Army life, we have come to appreciate these types of people because sometimes they are hard to come by. I hope that if she hasn't already been recognized, that she is recognized for her hard work and great attitude!"
- 3. "This comment is long overdue, but we were in the middle of a PCS. I don't have the individual's name, but on June 30th at 1335, I purchased a washer dyer set from a woman at the exchange. She was great. She made sure to let us know about all the deals going on, answered our questions, and even directed us to products she thought we might be interested in. She really went above and beyond to ensure we had a good experience and bought what we wanted. We are very happy with our purchase, and in the future if we make any other big purchases, we will be looking for her to assist us."

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EXCHANGE POST

Department of Army Leader Gets Firsthand Look at Exchange's Logistics Capabilities

By Julie Mitchell

SHARPE ARMY DEPOT. Calif. -The Exchange hosted Paul Cramer, deputy assistant secretary of the Army (Installations, Housing & Partnerships), at its West Coast Distribution Center, highlighting how the Department of Defense retailer's logistics network has transformed to welcome home 18.5 million Veterans with a lifetime online shopping benefit.

Cramer and his office have been instrumental as the Exchange works to secure additional warehouse space on the depot to accommodate anticipated demand as the Veterans online shopping benefit launches this Veterans Dav. His Oct. 16 visit marked his first visit to an Exchange distribution center and gave the Exchange an opportunity to highlight its logistics capabilities.

Cramer received an operations overview of the distribution center. including receiving, storage, order

"Logistics is focused on the customer experience,"

- Vice President, Logistics Fulfillment Alan French

selection, flow, transportation, shipping and e-commerce, hearing how Exchange Logistics associates take care of Soldiers, Airmen, families, retirees and, soon, all honorably discharged Veterans.

As the Exchange prepares for the launch of the Veterans online shopping benefit, which gives all honorably discharged Veterans the ability to shop online at ShopMyExchange.com, fulfilling e-commerce orders efficiently and accurately takes on even greater importance. Ensuring the distribution center has room to accommodate expected demand is a key part of preparing to deliver the Exchange online benefit to Veterans.

"This is very impressive," Cramer said, adding that the Veterans online

shopping benefit is a way forward for the Exchange. "It's the way of the future and the 21st century. We just need to get people signed up for it."

Alan French, Exchange vice president, logistics fulfillment, emphasized the importance of expanding Logistics' capabilities to support the Veterans online shopping benefit and the growth of e-commerce. Updated warehouse management and transportation management software, reallocated space for e-commerce order fulfillment and revamped duties for associates are among the changes the Exchange's distribution centers are undergoing to prepare for increased online traffic.

"Logistics is focused on the customer experience," French said. "We are the last touch before Soldiers or Airmen get their packages. We are excited to welcome home our Veterans on Nov. 11." X



Paul Cramer, deputy assistant secretary of the Army (Installations, Housing & Partnerships), visited the Exchange's West Coast Distribution Center. Cramer stands in front of an Exchange truck. Photo by Corporate Communication Manager Johnny Olson.

Distribution Centers Process Online Returns

By Lisa Moak

With the potential addition of 18.5 million Veteran online customers, the Exchange had to rethink its return process.

"The Exchange needed a streamlined return process for customers who don't have access to Exchange facilities on installations and a more convenient return process for those who do," said Chief Logistics Officer Karen Stack.

Logistics, Information Technology, Credit Program, Finance and Accounting, Merchandising Directorate and Store Operations collaborated to begin the process earlier this year. "The customer doesn't need to communicate with the customer contact center for returns anymore," said Operations Analyst

"The customer doesn't need to communicate with the customer contact center for returns anymore."

> -Operations Analyst Supervisor Bryson Wingo.

Supervisor Bryson Wingo. "Any nonbulk order fulfilled by an Exchange facility will contain a return label within the package."

With the new process, customers can reuse the box the item or items were shipped in, place the provided label on the box, notate the reason for the return and deliver the item to their local FedEx for delivery to the closet Exchange distribution center.

"Once the distribution center receives the package, the item is evaluated by a DC return associate



The eCommerce return area at the Dan Daniel Distribution Center.

to determine the condition of the item," Wingo said. "After the package has been evaluated and the item has been validated against the order, the customer is refunded."

The return program will be improved even further in 2018 when customers can process their returns online. This future upgrade will put the Exchange in line with industry standards while enhancing the online shopping experience. X

Transportation Management System (TMS) is Now Live!

The Logistics Directorate launched an industry-leading transportation management system that gives managers better control over costs of inbound shipments from suppliers and tracking of goods from distribution centers to stores.

The Oracle Transportation Management system will manage free on board (FOB) origin freight, beginning with inbound planning, execution/freight payable and cost allocation. The initial launch, which occurred Oct. 13. included two vendors and four carriers. The directorate will bring on more vendors and carriers this year, with the project's first phase expected to be fully implemented by next summer.

"With the implementation of

"The inbound process is only the beginning of the project."

-Chief Logistics Officer Karen Stack

phase 1, the Exchange now has the ability to strengthen the cost control of inbound transportation from suppliers and provide improved visibility across the organization regarding the status of goods moving inbound to distribution centers or directly to stores," said Chief Logistics Officer Karen Stack.

Transportation orders will be optimized to meet delivery requirements at the lowest cost. Communication with carriers will be enabled, reducing the effort

required to manage in-transit shipments via event management.

A project team from the Logistics Directorate worked with Team Oracle, the directorate's vendor, to implement the system.

The system also will allow the Exchange a better way to validate and audit freight invoices and speed up the payment for logistics services.

"The inbound process is only the beginning of the project," Stack said.

These next phases, which will roll out in late 2018, concentrate on outbound shipments at the West Coast DC in California for CONUS and Germany's Germersheim DC for OCONUS. X

SHARE YOUR STORY

Associates Share Their Stories of What Family Serving Family Means to Them

Family Serving Family Has Special Meaning for Associate

By Steve Smith

Exchange associate Rhea Aguon brings a unique and somber perspective to our core value "Family Serving Family." The retail business manager in Kuwait/Jordan lost her brother, Army SGT Eugene Aguon, when he was killed in action May 16, 2013, in Kabul, Afghanistan, while escorting a NATO convey.

Four years later on Sept. 8, 2017, Rhea Aguon, who has been deployed for 16 months from her native Guam, flew a flag on board a C-17 transport aircraft from Kuwait to Afghanistan's Bagram AB and then on a CH-47 Chinook helicopter to Kabul to remember her brother. Three days later, Bagram AB Exchange managers honored Aguon by presenting her with a plaque recognizing her courage and strength while covering the same ground as her brother.

"Working for the Exchange, I understood what the words 'Family Serving Family' mean, but it was not until I lost my brother when I felt the true meaning and impact of what it was all about," said Aguon, who has worked for the Exchange for 13 years. "The camaraderie and support from the military community and my Exchange family have been inspiring.

"It makes me want to do more every day, whether it be helping fellow associates or taking care of our customers, because we're all connected. We are family serving family." "It makes me want to do more every day, whether it be helping fellow associates or taking care of our customers, because we're all connected. We are family serving family."

—Associate Rhea Aguon

Aguon's honoring of her brother won accolades from the store manager at Bagram AB all the way up to Exchange Director/CEO Tom Shull.

"The bravery you displayed in remembering and celebrating Eugene is moving and inspiring," Shull said. "It is also a reminder of the deep connection we share with our heroes."

Jason Rosenberg, senior vice president of the Exchange's Europe/ Southwest Asia Region, said the memory of Aguon's brother lives on with so many people, including his Exchange family, through Rhea.

"Your impact on so many of our Warfighters' day-to-day quality of life has been nothing short of amazing," Rosenberg said. "It is such an honor to serve with you, Rhea, especially at the tip of the spear. Truly the spirit of family serving family."

Bagram AB Store Manager Sean Childers said: "Rhea's bravery and dedication to the Exchange and our mission inspired each one of us to continue to serve our heroes at home and abroad. Rhea's story



Rhea Aguon stands with her team holding the flag flown for her brother.

truly encompasses 'Family Serving Family.' It's times such as these that bring us all together and embody the deep connection we have with each other and the heroes we serve."

Aguon added that she had the chance to do something that not many military families can do: go back to the places where their loved ones and fallen heroes took their last breaths. The trip made her even more determined to serve the Nation's Warfighters.

"I am very grateful to have had the opportunity to go where my brother went, to see what he saw and to feel a little of what he felt," she said. "It gave me peace and made me feel like he was right there with me. It makes me passionate about helping our troops in harm's way to make sure they are taken care of because they are my family out here, too. They risk their lives

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SHARE YOUR STORY

Associates Share Their Stories of What Family Serving Family Means to Them

Family Serving Family Has Special Meaning for Associate

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keeping us safe and protecting us, they deserve it."

What made the trip so important to Aguon is her deployment from her native Guam started as a promise to her brother. When he learned that he was deploying to fight in Afghanistan, sister Rhea promised that she would try to go, too, as an Exchange associate.

"When the time came for him to deploy, he asked me if I would go and I told him, 'Next time,'" Aguon said. "When he died, I learned to never use those words lightly again. For three years, I struggled inside, unable to forgive myself."

When given the chance to deploy again, Rhea was scared but unbent. She left for some of the world's most dangerous countries, but she didn't care. Afghanistan was the most terrifying, but rather than being consumed by fear, she felt the intense love for her brother and a resolve to keep her promise to him.

"Every person who works for the Exchange, regardless of position or location, has an important role in providing the types of goods and services that our troops deserve," Aguon said. "We should take pride in what we do because we all help to improve the quality of life of our heroes every day. That is what's so amazing—and something to be very proud of." X

Taking Care of Cadets is Her Passion

By Cormeshia Carson

USAF Academy Logistics
Assistant Bonnie Bonnin has more
than 40 years of service with
the Exchange. A true definition
of family serving family, Bonnin
started her career at K. I. Sawyer
AFB in Michigan. Six months later
she transferred to the MCS where
she ended up at the academy in
1982 and became a cadet sponsor
in 1989. She has sponsored more
than 70 cadets since then. Bonnin
explains what compelled her to
become a sponsor:

"I had younger kids and I wanted my kids to have a role model. And just the enjoyment of knowing that they're going to have a home away from home." Bonnin said.

Bonnin has an open-door policy. The cadets mainly visit on weekends; they eat, watch TV, do homework, laundry, and are



Logistics Assistant Bonnie Bonnin stands with some of her cadets.

"It's just an honor and a privilege to get to know these young men and women, and their parents are so appreciative."

— Logistics Assistant Bonnie Bonnin

welcome to come and go, providing a sense of home. Waves of emotions are experienced during time at the academy. At such a young age, some are experiencing being away from their family for the first time. Cadets are in a new space, and different, more aggressive environment. Bonnin not only sponsors cadets at home, she also makes herself available to the young men and women at the MCS for socializing, a shoulder to cry on or an ear to listen to them.

"Working here and knowing quite a few of them (cadets), they know they can talk to me. This is basic training. When they are having a bad day, they come to me and see a smiling face."

Bonnin was recently coined by Director/CEO Tom Shull for her service and continued involvement as cadet sponsors.

"It's an honor and a privilege getting to know these young men and women, and their parents are so appreciative," Bonnin said. X



Fort Carson Sales and Merchandise Manager Allen Klingbeil helps hand out backpacks to children at Pikes Peak Elementary School. The backpacks were donated by the Pikes Peak Sergeant Major Association. The Exchange associates put the backpacks and school supplies together for the association to purchase, loaded and delivered them to the school, and then helped pass them out.



The Burger King at Fort Bliss had the honor to be the backdrop for SPC Colts' reenlistment ceremony. Colts fell in love with Burger King meals as a child, but it wasn't until her deployment that Burger King held new meaning. "During my 12-month deployment in Qatar, it was the Burger King stand that kept my morale up," said Colts.

Taking the Lead to Serve Those Who Serve

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your fellow associates notice. When you take time to chat with retirees about how their weekend went, your fellow associates notice. When you are patient and understanding while managing a frustrated customer on the phone, your fellow associates notice. Each one of us makes a leadership impact daily and all it takes is a little extra care and attention.

As I review our customer comments, I am surprised at how easily many could be rectified had we taken just an additional moment to really hear what the customer was saying or adjust the tone in our voice or expression on our face. When resolving customer complaints, a good rule of thumb is to put yourself in the customer's shoes. What would you reasonably expect if you were them? How would you want to be treated? Our customers have more shopping options than ever in this day and age. Our success and survival depends on how we take care of our customers.

Think about the ways you can start making a difference in your facility or work area today. What is that one extra step you can take to demonstrate your leadership abilities? X

Read all of Dave Nelsons' 2017 columns by going to TheExchangePost.com

Fraud, Waste and Abuse: Every Associate is a Sensor

By Steve Groll

Like many Exchange associates, I am a retired Airman. One of the pathways to becoming the best Air Force in the world was a tireless commitment to intelligence. information and surveillance. While serving on active duty, we were reminded that "every Airman was a sensor." Exchange associates aren't much different.

The Exchange Office of the Inspector General compiled data from a recent Fraud, Waste and Abuse (FWA) Survey. We learned a lot from the information associates provided and are happy to share the observations. To set the stage, however, it is important to note there are three major objectives of the Exchange FWA awareness effort: preventing, detecting and responding. The survey was designed to collect data on how well we are meeting those objectives.

Objective One:

Prevention of FWA normally comes in the form of some type of action plan: internal controls, a code of ethics, compliance programs, tone at the top, etc. This area received high positive results with more than 84 percent of respondents acknowledging their awareness of internal controls and their

Being a sensor means you are a critical part of the Exchange's early warning system.

participation in ethics training. In spite of efforts to prevent FWA, 50 percent of respondents believe FWA is likely occurring within the Exchange.

Objective Two:

The Exchange Oversight Group shares responsibility for detecting and investigating allegations of fraud, waste, abuse and mismanagement of Exchange resources. The group is made up of Audit, Inspector General, Loss Prevention and General Council. but the survey results told us detection systems are present everywhere. In fact, 94 percent of survey respondents acknowledged associates were aware of their responsibility to report potential violations of FWA. Additionally, a similar percentage confirmed their willingness to report potential violations if they became aware of, or observed, them.

Objective Three:

In the event an instance of FWA is not prevented by good internal

controls or detected by someone or something, then it is important an associate knows how to respond or report the violation. Of those surveyed, 92 percent of respondents indicated associates were aware the IG Hotline served as a reporting

Other responses included reporting violations to firstline supervisors or through Loss Prevention. For the Hotline to be an effective system, associates must know they can confidentially report without fear of reprisal or retaliation. IG associates safeguard confidentiality to the maximum extent possible – it is a central tenet of the work we do.

Being a sensor means you are a critical part of the Exchange's early-warning system. You help to safeguard the integrity of the internal controls, you are guided by ethical behavior and you take seriously the responsibility to be aware of, and to report, allegations of violations. Fraud, waste and abuse's worst enemy is an engaged, observant and well-informed associate. Keep up the great work, but if you need assistance or resources, feel free to reach out to us at hotline@aafes.com X



All Exchange associates are sensors for fraud, waste and abuse.

Meet the Women Driving Exchange Logistics

By Julie Mitchell

In the Exchange's Logistics Directorate, three women in key leadership roles are a driving force in the traditionally male-dominated field of military logistics.

Karen Stack, executive vice president & chief logistics officer; COL Karen Bond, deputy director and Morgan Meeks, director of transportation, represent a diverse change of command and ensure women at the Exchange see Logistics as a rewarding career path.

Stack, Bond and Meeks lead the Exchange's robust Logistics network, which includes 11 worldwide distribution centers and the 10th largest retail private fleet in the U.S. The team makes sure the Exchange's 2,700 facilities across the U.S. and 36 countries have what they need to take care of our Nation's warfighters. From war zones in the Middle East, to training exercises in Eastern Europe to recovery efforts from 2017's three

"Women today know they can do whatever they want, accomplish whatever they want."

 Executive Vice President & Chief Logistics Officer Karen Stack

devastating hurricanes, their team has moved much-needed goods to the front lines.

Stack: Set goals, take off

Industrywide, men hold between 70 percent and 80 percent of jobs in the supply chain, and only 5 percent of top-level supply chain positions in Fortune 500 companies are held by women. At the Exchange, Stack, Bond and Meeks' success stories demonstrate strength. Together, they highlight how diversity in the workplace benefits us all.

Stack, who has worked for the Exchange since 1976, has led Logistics for the past five years. Throughout her storied career, she has experienced fundamental changes as more women joined the workforce.

Increased diversity and more women in leadership roles are the two biggest changes she's seen during her time in the workforce.

Her role in ensuring Soldiers and Airmen have the goods and supplies they need is deeply personal. Her father served in the Army, in the swamps of Vietnam during the war.

"He never had dry boots or socks," Stack said. "I told myself, 'I'm going to work for AAFES and get dry socks to Soldiers and Airmen no matter where they are in the world."

Stack has done exactly that. She leads a team of more than 2,000 associates responsible for making sure supplies—like socks—reach troops no matter where they serve. Though the field is traditionally male-dominated, she doesn't see herself as a pioneer. Women don't

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Chief Logistics Officer Karen Stack, right, gives an award to associate Chelsea Westbrook during a recent visit to Dan Daniel Distribution Center.



Logistics Deputy Director Karen Bond is interviewed during the opening of the Germersheim Distribution Center in Germany.



Director of Transportation Morgan Meeks attends the DHL opening in Dallas, Texas.

Meet the Women Driving Exchange Logistics

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"Don't allow the flawed biases or misperceptions of others to determine what your goals are going to be and what you are capable of achieving,"

> — Logistics Deputy Director COL Karen Bond

experience the same pitfalls in advancement that were present years ago, she said.

"Women today know they can do whatever they want, accomplish whatever they want." Stack said. "They set their goals and take off."

No matter what role associates play at the Exchange, finding ways to improve should be top of mind, Stack said.

"Always differentiate yourself," Stack said. "Up your game. Just doing a great job is status quo now."

For Stack, her role leading Team LG has been the most rewarding.

"This team has accomplished so much," Stack said.

COL Bond: Push on, change perceptions

Throughout her 27-year military career, Bond has overcome challenges of working in transportation in male-dominated Army (only 13 percent of Soldiers are women). Besides gender and race, Bond says she had to fight biases based on education early on in her career as an officer.

"One of the first things I was

asked frequently was, 'Where did you go to school?' I always thought that was an interesting question," Bond said. "I was a black female who graduated from a university that wasn't well-known (Jackson State University in Mississippi). That automatically put me in a different bucket. They assumed I shouldn't be assigned to premier assignments or represent the command in different aspects."

Bond considers herself a trailblazer for women in logistics roles and the Army.

"Don't allow the flawed biases or misperceptions of others to determine what your goals are going to be and what you are capable of achieving," Bond said. "Some people give up because it is hard. Find a good mentor. Someone you can talk to and help you through difficult times."

Meeks: Really sell yourself

For Meeks, her childhood passion for transportation has come alive at the Exchange, where she's spent her entire career. Her father owned a small business that had several trucks, igniting an interest in how goods moved.

She started as a college trainee in 2001 at the Dan Daniel Distribution Center, and her career has steadily progressed, including implementing a transportation management system and managing the Waco Distribution Center before leading more than 300 associates as the director of transportation.

"Prove you know what you're talking about and earn respect so you become a valuable team member."

— Director of Transportation Morgan Meeks

Along the way, she has faced her share of challenges, but has not backed down.

"Get your voice heard," Meeks said.
"Prove you know what you're talking about and earn respect so you become a valuable team member."

Meeks guides young women at Texas Christian University. She advises them to develop a strong work-life balance at the start of their careers.

"You have to find balance," Meeks said. "I'm all work, then family loses out. If I'm all family, then work loses out. It's hard to find balance if you don't start early."

Someone to lean on

No matter associates' roles at the Exchange, Stack, Bond and Meeks all recommend finding a trusted mentor.

"Lean on your mentors," said Meeks, who includes Stack among those who have given her advice during her career. "Sometimes, I run across things I just haven't experienced in life. They can help you set your goals and stick to your guns." X

Customer Service: These Associates Rock!

Carmen Rodriguez Eastern Region/ Fort Bragg, N.C.



Nick Ingram Central Region/ Tinker AFB, Okla.



Joy Carney Western Region/ **Joint Base Lewis-**McChord, Wash.



"I appreciate her treating me like a person and not a transaction."

Angela Olasin Europe Region/ Hohenfels,

Germany



"I have never been so well informed about an online purchase as I have been with Nick."









"She always has the best customer first attitude when I come in with lastminute orders."

"Mr. Kim went above and beyond his duties by helping me get my car started so I could get to work."

"A caller said Rhonda was very sweet as she helped the caller understand her account."

"I recommend that Soldiers ask for

Joy because she puts troops first."

Read their entire customer comments!

Check out who won Thanks Awards and celebrated anniversaries!



CHIEF OPERATING OFFICER

DAVE NELSON

Recognizing the Front Lines: Calling Out Top Associates

"You are truly examples of family serving family, and nobody does it better than you. Thank you for being ambassadors of the Exchange." - Dave Nelson, chief operating officer

EASTERN REGION

Eden Tunstall Langley AFB Main store

Mary Delargy-Henderson U.S. Military **Academy Starbucks**

Jasmine Hill Eglin AFB/Hurlburt Field Vending

CENTRAL REGION

Dawn McCullough Selfridge ANGB Main store

Naomi Walker Fort Sam Houston Subway

Dan Shibe Tinker AFB BX Mall

WESTERN REGION

Hunter Carolyn Malmstrom AFB Main store

Samantha Breeden Fort Carson Starbucks

Allyssa Myers Vandenberg AFB **GNC**

Read about them!

EUROPE REGION

Sincera Allen Jordan Exchange

Ellis Briggs RAF Lakenheath Food court

Mohammed Hossain **Kuwait Services**

PACIFIC REGION Kyong-Suk Pak

Yongsan Main post office

Son-chun Pvon Camp Humphrevs **Popeyes**

Man-ho Chong Camp Humphrevs GNC



Security Guard Finds Himself in Exchange History

By Steve Smith

DALLAS – As a military police officer at the PX in Bangkok, Thailand in 1973-75, Jack Wrightsil never thought he would one day work at the Exchange headquarters, much less appear in one of the pictures hanging in its museum.

In the picture, a young Wrightsil, as an Army specialist E-4, is shown sitting at a table looking through an Exchange catalog at the military installation in Thailand.

Today, Wrightsil is a security officer on the weekends at the Exchange HQ.

"When I came to work at headquarters in 2006, I would walk around the building and walk past the picture a countless number of times," said Wrightsil, who served in the Army for 21 years and worked at the Pentagon after becoming a civilian.

"One day, I went home and looked at other pictures I have of me from that period, wearing the same uniform. I was the only African-American MP at that installation, so I thought, 'That's me in the picture!'" X

Special Team of Associates Serve Deep Inside a Mountain

By Lisa Moak

Exchange associates work and live all over the world from Thule, Greenland, to the tip of the spear at contigency locations in Poland, but only one special team of associates takes a bus deep inside a mountain and cross two 25-ton blast doors to begin their day at the Cheyenne Mountain Air Force Station.

The Air Force Station in Colorado Springs, Colo. originally was home to the North American Aerospace Defense Command (NORAD).

NORAD moved operations to its headquarters at Peterson AFB in 2006. The location now supports U.S. Strategic Command's Missile Warning Center, and provides an alternative operating location for NORAD's command center.

Three specially authorized associates, two who man the Subway cart and a vending tech, work at the facilities Granite Inn Subway Cart and self-checkout

mircro-market, serving more than 500 military, civilian and contractors at the installation.

The bunker was built to deflect a 30 megaton nuclear explosion. The two 25-ton blast doors were designed to withstand a nuclear blast wave. There is also a network of blast valves with unique filters to capture air-borne chemical, biological and nuclear contaminants.

Another interesting fact about the facility—it features the only cashier-less, micro-market kiosk at the Exchange. The kiosk is fully integrated with the Exchange warehouse and inventory through a proprietary system, OneMarket. This channel of information keeps the market stocked with customers' favorite products using sales to track top selections and make adjustments to the product mix. Customers can scan the item and pay with a credit card to make purchases. X



Cheyenne Mountain Air Force Station customers enjoy lunch at the Exchange Subway cart.

Caught Working Safely Core Value: The Courage to Use Good Judgment

This month's associates who were caught doing the right thing come from the Logistics Directorate's distribution centers.





MHE operators **Arthur Gonzalez** of the Waco DC in Texas and **Soui Furugen** of Japan's Okinawa DC are "Caught Working Safely" by conducting their daily safety checklists before operating their equipment.





Daisuke Takasu and **Ramon Cawilan, left,** of the Japan DC show that four hands are better than two while using the two-man lift to move heavy bulk merchandise. Right, Korea DC warehouse workers **Mun-Chong Chi** and **Sun-Chong Ryun** use a two-man lift and safety gloves to move a shipping pallet.



Dan Daniel DC Receiving Associate **Jimmy Mallari** hooks his seatbelt prior to operating his forklift.



West Coast DC MHE Operator **Matthew Keller**, while raising a pallet up four levels, ensured no pedestrians were around and watched for potential hazards.



Germesheim DC Associate **Edward Schlichter** clearsdebris while using appropriate personal protective gear.

Future Exchange Posts will feature logistics associates working safely and saving the Exchange money.

Meet ALEX, Your New Benefits Counselor

Open enrollment, Nov. 6-Dec. 1, for Exchange benefits is right around the corner when you can change health insurance plans, enroll in flexible spending accounts, and increase life insurance coverages by one level.

If you don't take action, you'll automatically remain in the plan you chose last year—and you will not be enrolled in FSA in 2018.

Use our new online benefits counselor, ALEX, to see if your current choices still fit. The Exchange slightly changes its health plans every year—which affect your paycheck through your premium contributions and your pocketbook through your deductibles, copays and prescriptions.

Three important things to know about the ALEX tool are:

 It's personalized, so you can see which plan makes the most sense for you. Hear ALEX



through your speakers or use the closed-caption feature.

- It's fun to use. There's no boring insurance jargon.
- It's confidential, so you can get the guidance you need without giving up privacy.

To review all benefit plans and decide the right level of coverage, visit ALEX on the Employee Self Service page by eBenefits. X

Open enrollment is Nov. 6 through Dec. 1.

Find eBenefits and ALEX from anywhere:

- From an Exchange computer: on main portal page, click the Employee Self Service icon. Sign in with Y-ID and password. When you land on Employee Self Service page, click on eBenefits on left side, in Family & Benefits section.
- From outside computer or mobile device: Go to home.aafes.com, use TSS ID or SSN & DOB tab to sign in. Click to continue access. On next page, click Employee Self Service icon.
- Sign in to Employee Self Service with TSS ID and password. Click on eBenefits in Family & Benefits section. You'll have the option to visit ALEX for guidance and then go into eBenefits, or go directly into eBenefits. It's up to you!

The ALEX application works best on Internet Explorer 10, Google Chrome or Mozilla. X

FSAs Can Save You Money

How much have you spent on medical and daycare expenses so far this year? Are you paying for them with tax-free money?

Now that it is time to enroll in FSAs for 2018, consider:

- A Health Care FSA reimburses health care expenses for you and your eligible dependents, even if they aren't covered on your medical plan. You don't have to be enrolled in medical or dental plans to participate in a Health Care FSA.
- A Dependent Care (Daycare)
 FSA reimburses you for
 daycare expenses incurred for
 qualifying children and adults
 because you and your spouse
 work or are looking for work.

Sign up during open enrollment

You must make an election during Open Enrollment Nov. 6-Dec. 1 of this year for the next year's coverage.

You also can enroll within 31 days of a qualified change in family status, such as marriage, birth or adoption.

You get a debit card with the Health Care FSA. In January, the card is loaded with your full year's election amount for you to use immediately.

You can rollover up to \$500 of unused Health Care FSA into the next year, but can't on the Dependent Care FSA.

Learn more about FSAs. X

<u>Understanding Exchange Strategic Priorities</u>:

Execute the Veterans Online Shopping Benefit

Continued from page 3

- Created the process to review discharge forms to authenticate unknown status Veterans.
- Enhanced ShopMyExchange.com capacity to handle forecasted demand.

Business Development/Business Intelligence

- Developed Veteran authentication process.
- Established working relationship with Defense Manpower Data Center for customer authentication, data analysis, and insights.
- Established a relationship with the National Archives and arranged a first-time-ever data share of 80 million Veteran records to enable authentication.
- Established a relationship with the Department of Veterans Affairs to coordinate identity-building and authentication for Veterans.
- Obtained Veteran demographics to enable targeted communication with Veterans.

Executive Group

- Coordinated media interviews for Director/CEO Tom Shull to communicate externally the Veterans online shopping benefit.
- Targeted communications to Veteran audience.

- Highlighted advantages
 of using the online benefit
 primarily by social media posts
 and answering social media
 comments.
- Helped associates communicate the new benefit to their families and friends.
- Informed associates about Veterans online shopping benefit and its importance.

Finance and Accounting

- Developed business case to support the Veterans online shopping benefit.
- Created financial model to forecast increase demand and volume from Veterans online shopping benefit.

Exchange Credit Program

- Completed CAPEX project that replaced multiple contact center systems to better serve customers.
- Stood up VetVerify.org contact center to authenticate and welcome home veterans.
 - Implemented a "Patriotic"
 VetVerify.org brand
 environment in the call
 center and on associate
 materials, such as phone and
 computer screens.
- Partnered with HR to hire and train new associates supporting both <u>ShopMyExchange.com</u> and MyECP.com.
- Enhanced MILITARY STAR

processes specifically tailored to reduce risk with new customer base.

Strategic Planning and Partnerships

 Reviewed and evaluated regulatory matters, updated existing memorandums of understanding, association or agreement and drafted new MOA/MOUs.

Real Estate

 Constructed new space to accommodate the expanded contact center.

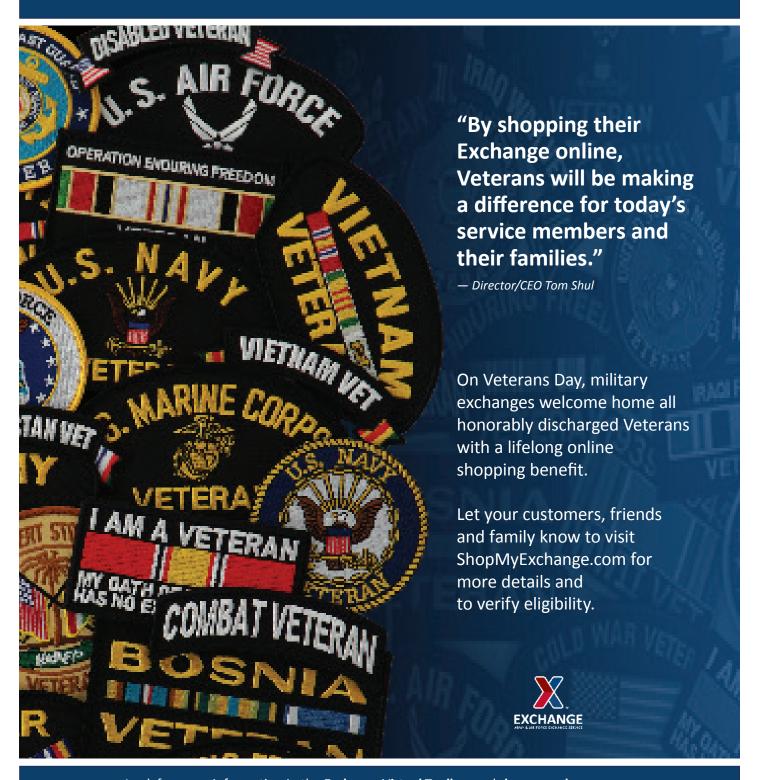
Regional support

- Conducted Veterans events, main store managers' meetings, retiree appreciation days and command briefings to create excitement for the new benefit.
- Displayed Veterans online shopping benefit and VetVerify. org signs in-store.
- Implemented Ship-from-Store to improve delivery times and reduce costs.

Getting to this point where the Veterans online shopping benefit becomes a reality wouldn't have been possible without each associate leaning forward with dedication and determination to reach our goal of welcoming home potentially 18.5 Veterans. Your efforts ensure our Nation's heroes have a lifelong exchange benefit for generations to come. X

Veterans Online Shopping Benefit

Go to ShopMyExchange.com for more details



Look for more information in the Exchange Virtual Toolbox and shopmyexchange.com.





TRANSFERS

Krystal Andrade – replenishment and inventory analysis, HQ, to merchanise & inventory manager, HQ

Lorraine Brown – store manager (BR), Fort Polk, to operations manager, Nellis AFB

Alyce Campbell – store manager (BR), Fort Irwin, to operations manager, Davis-Monthan AFB

Brenda Christian – sales & merchandise manager, Wright-Patterson AFB, to sales & merchandise manager, Camp Humphreys

Hector Davila – operations manager, Fort Sill, to retail business manager, Okinawa Exchange

Eric Desveaux – store manager (MS), Fort Bragg, to general manager, Fort Lee.

Delia Eidson – store manager (MCS), Fort Sam Houston, to sales & merchandise manager, Okinawa Exchange **Christopher Jados** – store manager (BR), Westover AFB, to operations manager, Puerto Rico

Christel Kelly – store mangar (BR/Gas), Eglin AFB to sales & merchandise manager, JB Lewis-McChord

Jerome Melillo – food court manager, Fort Carson, to food court manager, JB Lewis-McChord

Janet Milum – general accounting manager I, Okinawa Exchange, to accounting reconciliation manager, HQ

Martina Smith – food court manager, MacDill AFB, to food court manager, Fort Belvoir

Charles Thrasher – store manager (BR), Fort Gordon, to store manager (BR/Gas), Patrick AFB

Robert West – restaurant manager, Fort Huachuca, to restaurant manager, IB Andrews

Carl Wolfe – assistant store manager (MS), Seymour Johnson AFB, to sales & merchandise manager, JB Elmendorf

Fred McLean, 92, died June 17 in Fayetteville, N.C. The Fort Bragg associate retired in 1976.

Dorothy McNutt, 84, died July 23 in San Angelo, Texas. The Lackland AFB retail manager retired in 1983.

Derek Oyama, 61, died July 13 in Honolulu, Hawaii. The Hawaii Area electrician retired in 2007.

Benjamin Ryan, 78, died July 28 in Union City, Calif. The West Coast DC materials handler retired in 2005.

Virginia Sizemore, 79, died Sept. 6 in Hopewell, Va. The Fort Lee reorder associate retired in 1998.

Dorothy Stephens, 90, died Aug. 22 in Suitland, Md. The Fort Belvoir sales associate retired in 1994.

Otis Thornton, 86, died April 8 in Fort Mitchell, Ala. The Fort Benning warehouse worker retired in 1987.

Elzie Wells, 82, died Aug. 13 in Jeffersonville, Ind. The Exchange administrative officer retired in 1990.

Marilyn White, 71, died Sept. 5 in Murrieta, Calif. The March ARB sales area manager retired in 2003.

Mary Winfrey, 80, died Aug. 21 in Atlanta, Ga. The Dobbins AFB store manager retired in 1999.

Hattie Woodle, 83, died Aug. 19 in Elgin, S.C. The Fort Jackson stocker retired in 1996.

IN MEMORY

Helen Bell, 76, died Aug. 13 in Columbia, S.C. The Fort Jackson retail manager retired in 1993.

Sandra Boersema, 74, died Aug. 15 in Lyman, S.C. The Whiteman AFB assistant store manager retired in 2005.

Alan Bradshaw-Sheeley, 49, died Sept. 17 in Sugar Land, Texas. He was an Express manager at Seymour Johnson AFB, N.C.

Keiko Coates, 83, died May 2 in Acworth, Ga. The Dobbins AFB senior store associate retired in 2008.

Melvin Cohen, 91, died June 24 in Duncanville, Texas. The HQ associate retired in 1986.

Max Dalton, 82, died Aug. 21 in Lindale, Texas. The HQ associate retired in 1986.

Doris Ennis, 94, died Sept. 7 in Sunnyvale, Texas. The HQ secretary retired in 1995.

Oswald Flowers, 79, died Aug. 30 in San Antonio, Texas. The Lackland AFB supervisory food service worker retired in 2004.

Anna Gaines, 71, died Aug. 1 in Oakland, Calif. The Oakland DC materials handler retired in 1998.

Adina Hall, 51, died Sept. 5 in Plato, Mo. She was a laborer at Fort Leonard Wood, Mo.

Yo Po Hsu, 91, died July 3 in Kaohsiung, Taiwan. The Exchange warehouse worker retired in 1990.

C.R. Iwanowski, 81, died Aug. 19 in Fayetteville, N.C. The Fort Bragg supervisory sales associate retired in 1988.

Ann Kendall, 93, died Aug. 9 in Greeley, Colo. The Exchange associate retired in 1975.

Hope Kosier, 94, died Aug. 28 in San Ramon, Calif. The Presidio of San Francisco services supervisor retired in 1983.

Joyce Lemburg, 88, died Aug. 9 in Price, Utah. The Denver Exchange operations clerk retired in 1984.

Donald Lowry, 79, died Aug. 9 in Copperas Cove, Texas. The Fort Hood car care center manager retired in 2002.

Photos From the Field on Flickr







RETIREMENTS

Edwin Bailey, Nellis AFB, 32 years **Violeta Bernard,** Schofield Barracks, 19 years

William Combs, Waco DC, 5 years Dalton Cossio, JB Andrews, 28 years Patricia Dillon, Whiteman AFB, 20 years

Cynthia Fewell, NAS Fort Worth JRB, 18 years

Wade Hartso, NAS Fort Worth JRB, 21 years

Miki Henry, JB Andrews, 42 years

Gregory Horner, HQ, 6 years

Savannah Hudson, 15 years

Angela Jenkins, Fort Drum, 17 years **Cynthia John,** JB Elmendorf, 19 years

Victor Kanardy, Fort Hood, 27 years

James Lowry, Keesler AFB, 15 years

John McCutcheon, JB McChord-Lewis, 31 years

Estela Mitchell, Fort Knox, 7 years

Kum Moseley, JB McChord-Lewis, 16 years

Jeanette Phillips, Fort Stewart, 50 years

Edwin Rivera, MacDill AFB, 5 years

Linda Russ, Fort Jackson, 19 years

Debbrey Stevenson, Fort Campbell, 11 years

Christina Sweeney, Fort Hood, 6 years

Terri Turner, JB Andrews, 23 years

Corrina Unal, HQ, 35 years

Deniz Unal, HQ, 6 years

Paul Williams, Robins AFB, 9 years

Soloman Winkler, West Coast DC, 16 years

XThe Exchange Post.com

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Social Media Installation Monthly Update

Find all Exchange social media channels and links here.

How does your Exchange social media stack up?		Likes	Check-ins	Weekly Growth	Engagement	Reactions
Week of October 2	12,9111	2,382	5,445	18%	7.7%	267
	Minot AFB	Ramstein/ KMCC	Randolph AFB	Minot AFB	Fort Bliss	Fort Stewart-Hunter
Week of October 9	43,772	2,409	5,471	15%	3%	262
	MInot AFB	Ramstein- KMCC	Randolph AFB	Italy Consolidated	Mountain Home AFB	
Week of October 16	11,933	2,419	5,494	20%	7%	355
	Fort Bliss	Ramstein- KMCC	Randolph AFB	Colorado Springs	Fort Buchanan	Fort Buchanan
Week of October 23	24,303	2,436	5,505	39%	4%	262
	Fort Bliss	Ramstein - KMCC	Randolph AFB	Brussels	Fort Buchanan	Fort Bliss