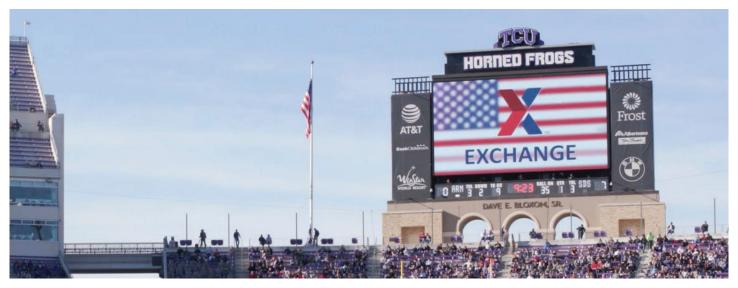
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Exchange Veterans were featured in the Exchange's first national advertisement. The 30-second TV commercial debuted Dec. 23 during the 2017 Lockheed Martin Armed Forces Bowl. Read more about this historic event on page 5. See all commercials.

With 2017 Goals and Strategic Priorities Complete, Exchange Looks Forward to an Even Better 2018

From Director/CEO Tom Shull



It is truly an honor to be part of this incredible Exchange team as we start a new year. We are leaving behind an extraordinary

2017, which began with the Exchange gaining approval to pursue the Veterans online shopping benefit and ended with record sales after the benefit's successful launch. We met the challenges of supporting our Warfighters in contingency locations all over the world, including new locations at the tip of the spear in Eastern Europe, Africa and South Korea. The Exchange also

sprang into action to quickly move merchandise and manpower to push support to areas devastated by Hurricanes Harvey, Maria and Irma.

Our progress doesn't end here as we look toward an even better 2018. EVP/COO Dave Nelson reflects in this month's Exchange Post on our successes in 2017 and contemplates what the new year will bring.

Also in the Exchange Post, our new chief administration officer (CAO), Phil Stevens, will inform us about his work and military experience, plus his priorities for his new role and teams. Phil has been crucial in modernizing the Exchange's information technology infrastructure as our chief

information officer during the past five years, and I am sure he will bring even more innovative ideas to the Exchange as CAO.

Congratulations to each of you for your hard work and dedication in 2017. Your efforts ensured the achievement of our monumental goals and strategic priorities, all while serving Soldiers, Airmen, military families, retirees—and now all honorably discharged Veterans. In February's Exchange Post, we will discuss our 2018 strategic priorities and provide an overview of what to expect as we continue to fulfill our mission of serving those who serve.

Onward and upward! Hooah! X

Reflecting on Past Successes and New Opportunities



January is always a great time to reflect on the successes and challenges of the past 12 months as goals and expectations

are set for the coming year. Simply put, January is a clean slate that offers 365 days of opportunities.

A year to remember

2017 was one to remember for the talented and dedicated associates who gave their all to accomplish truly extraordinary feats. This time last year, the Exchange learned an effort near and dear to our director/CEO's heart—the Veterans online shopping benefit—had finally received Department of Defense concurrence.

The 11 months leading up to the program's official launch on Veterans Day included a whirlwind of activity that touched every aspect of our business, including Logistics, Merchandising, Information Technology, Human Resources and, of course, e-Commerce.

Further improvements

Further improving the experience at ShopMyExchange.com is 70 Shipfrom-Store locations, including seven collocated Military Clothing locations that recently came online. Ship-from-Store enables us to more quickly deliver products to customers at a speed of service they expect. Many thanks to all of you who worked so hard to make this improved capability a reality.

2017 also marked the launch of MILITARY STAR® card acceptance

at all commissaries. Just weeks after the rollout of this expanded service began at Fort Lee in October, nearly 80,000 unique customers had used their MILITARY STAR cards to buy more than \$13.7 million in groceries at 237 commissaries around the world.

"The financial results across the organization were impressive in 2017, but what moves me even more than the outstanding results is the way our associates truly demonstrate Family Serving Family."

The convenience MILITARY STAR card acceptance offers authorized shoppers, combined with the capacity to generate additional earnings for Quality-of-Life programs, including combat uniforms at cost, Army Child Development Centers, Air Force **Outdoor Recreation programs** and affordable school lunches for Warfighters' children overseas, is a win-win for the military community and commissary.

Contingency support

Our Europe team continued to expand support of Warfighters at the tip of the spear by expanding the mission to Eastern Europe, recording 237,000 transactions at training exercises throughout Poland, Romania, Bulgaria and Hungary. In the Pacific, the Exchange supported training exercises and accelerated the opening of the Camp Humphreys' shopping center by four months to open Nov. 20, ensuring the Exchange was ready to serve

military members and their families in Korea during the holiday season.

The financial results across the organization were impressive in 2017, but what moves me even more than the outstanding results, is the way our associates truly demonstrated Family Serving Family.

Last year, a series of natural disasters devastated areas our associates and customers call home. Hurricane Harvey in August and Hurricanes Irma and Maria in September wreaked havoc on the United States. Our team banded together, donating time, vacation leave, materials and money to support those who needed it most. The response you provided our customers was exceptional. The selfless sacrifice was a reminder of the passion Exchange associates bring to their work each and every day.

In December, the annual Joint Base San Antonio-Lackland shopping event took place, where trainees in Air Force Basic Military Training enjoy holiday cheer while shopping for friends and family. The Lackland store rolls out the red carpet to make this a special moment for the trainees and their families to remember. There are no words to describe how my heart swells with pride as young service members experience a taste of home only the Exchange can provide.

Entering 2018

As we enter 2018 together, we will create another banner year for service members and their families. We will continue to promote the Veterans online shopping benefit

Continued on page 18

2



Meet Chief Administrative Officer Phil Stevens

This past November, Phil Stevens was selected as the Exchange's first chief administrative officer (CAO). Stevens explains his background and priorities for his new position in this Exchange Post interview.

"Money can't buy passion or loyalty, but our mission and culture build it."

What are your top priorities as chief administration officer?

I was blessed to inherit a great team— capable, diligent and passionate about serving Soldiers, Airmen and their families. Fortunately, even great teams can get better, so the chief administration office (CAO) leadership team and I will pursue every opportunity to make the business of the Exchange as efficient and agile as possible. From policy to procurement to legal reviews, everything we do will add value to the corporate mission. Our strategy is to integrate our efforts with the businesses we support. For example, procedures for procurement and general counsel will be built into the whole process rather than bolted on to the beginning or end.

Can you explain this new role and how it will enhance Exchange senior leadership?

As CAO, I am responsible for several support functions critical to the success of the Exchange, including the IT Directorate, Procurement, Strategic Planning & Partnerships, General Counsel, Executive Group, and Equal Employment Opportunity, Diversity and Inclusion (EEODI).

While General Counsel's responsibility may seem unrelated to technology, they share important attributes. Both are

positively impactful if they are involved as partners rather than service providers. Procurement seems different from IT. but understanding business strategy and requirements is critical to both. Policy and information security are similar in that both can seem like brakes on progress. A security professional once asked, "How fast could you drive your car if you didn't have brakes?" My role is to bring experience as a partner, bring an understanding of the business requirements and give the business confidence to drive faster, knowing we can tap the brakes when needed to steer through the twists and turns of a competitive environment.

What will 2018 bring to the Exchange? Will there be any challenges, and how do you see the Exchange overcoming them?

The challenges we have faced for the past few years will accelerate. Strong retail competitors encourage our customers to set high expectations for their shopping experience, but they want the price low. Customers expect us to understand who they are and proactively offer products that interest them. Meeting those expectations requires every associate to be fully engaged through world-class EEODI initiatives. Meeting those expectations also requires us to streamline our processes, allowing business leaders maximum

agility and reducing back-office expenses to pay for an investment in customer-facing capabilities. Technology will be critical to delivering those capabilities seamlessly across channels. The CAO team will be at the heart of the mission to serve the best customers in the world.

Can you tell us about your background and do you or your family have military connections?

My father served as a corpsman in the Navy and then transferred to the Marine Corps. One of my brothers followed in Dad's footsteps by serving in the Marine Corps, but Dad was not too disappointed when I decided to serve in the Air Force.

Is there anything else you would like Exchange associates to know about you?

For me, our mission is the perfect combination of my service in the Air Force with my 20 years of retail experience. Equally motivating is our "family serving family" culture. We work long, hard hours so coworkers become our family. Our customers are the military family so many of us grew up or served in. Best of all, we are not asked to give up the families we leave at home each morning— our culture encourages us to support and care for them first. Money can't buy passion or loyalty, but our mission and culture build it. X

Informative Entertainment Created by Exchange Digital Media Network Team

By Lisa Moak

With a blend of technology and creativity, the Exchange inhouse Digital Media Network (DMN) develops informative and entertainment content for the Exchange. Whether programming music and event promos for Exchange Radio Network (ERN) or creating digital content for Exchange in-store media screens, the team stays busy all year-round.

The music and programming that plays in Exchange facilities is the product of In-Store Media Network Administrator Mike Nelson and his team. The ERN team creates 100 to 150 per week on average and 150-200 during the busy holiday season. Nelson is in constant contact with Exchange facilities and troubleshoots any radio network issues for them daily.

Multimedia Production Branch Manager Tim Miller considers the radio network to be "a channel for commanders to communicate with their installation."

Each installation has the availability to hear 20 spots per hour.

"For a large installation like Fort Hood, the spots are easy to fill," said Miller.

"A quarter of our spots are taken up by MWR and services," said Nelson. "They advertise events and classes using our radio network."

DMN also supplies all media content for Exchange facilities like the marketing content on digital screens in stores including; PowerZone, Chef Shop, Class Six, Prestige cosmetics, MILITARY STAR and more. The team also produces marketing content for the new video screens being installed at all pay-at-the-pump Express locations. They create video for Armed Forces Network overseas, are collaborating with DeCA to supply media to the commissaries, develop entertainment for Exchange theaters and produce celebrity shoutouts and interviews with host, Nancy Jay.

Network Services Manager Todd Glenn said, "Our team takes the vision of the DMN producers and makes it happen. We film, edit and execute the product."

This year will see even more action coming from the DMN team as they intergrate more with Exchange social media, support real estate as they purchase new digital menu boards for food courts and improve distribution of content for Exchange theaters.

"We currently support preshow entertainment in theaters by sending Blu-Rays to each theater. In the future, with a digital cinema projection file, we will be able to upload or update content to a server for instant use."

"Look for our production team at the Main Store Mangers meeting," said Miller. "DMN will also be heavily involved in supporting the director/CEO's mission in 2018 and the 50th Anniversary of Vietnam."

The highlight of this past year was the team's production of the first commercial to air to a national audience. The commercial aired in the stadium during the Armed Forces Bowl this past December.

"The spot we filmed featured Exchange Veterans and focused on Veterans online shopping benefit," said Miller. "This was a huge opportunity that could open doors to support other military events." X



DMN filmed and produced the Exchange's first national advertisement. The commercial, based on a poem by Corporate Communication Manager Johnny Olson, aired during the 2017 Armed Forces bowl.

At 2017's Armed Forces Bowl, the Exchange Welcomed Veterans Home to Military Family

By Julie Mitchell

For the first time in its 122year history, the Exchange is being featured in a national campaign focused on welcoming home all honorably discharged Veterans to their military family.

The 30-second TV commercials, which debuted Dec. 23 on ESPN during the 2017 Lockheed Martin Armed Forces Bowl, thanked Veterans for their service and reminded them of their lifelong online exchange shopping benefit at ShopMyExchange.com. Veterans Day marked the first expansion of military exchange benefits in nearly 30 years.

Since Nov. 11, the Exchange has ramped up efforts to let 18.5 million honorably discharged Veterans know about their new benefit, which includes tax-free shopping

and military-exclusive pricing.
Exchange associates staffed an outreach booth at Armed Forces
Bowl, the first time the organization has been present at the annual Bowl for the Brave, which featured the U.S. Army Black Knights vs. the San Diego State University Aztecs. The Exchange also helped create a Wall of Heroes, which lined the concourse of the Amon G. Carter Stadium at Texas Christian University, to pay tribute to Warfighters.

Before the bowl game, Exchange Director/CEO Tom Shull greeted active-duty service members, military families and Veterans, thanking them for their dedication and sacrifices to our Nation.

"It's an honor to be here and a privilege to support this," Shull said. "These are exactly the kinds of families we want to support as we welcome them home to their Veterans online shopping benefit."

As part of the excitement, the Exchange awarded bowl game prize packages to 19 military shoppers who won a sweepstakes featured on social media. Each prize package included two Champion Club game tickets, a parking pass, two sideline passes and two ESPN VIP passes. Winners came from as far as Wisconsin and Georgia to cheer for the Black Knights.

Lt. Col. Ron Gesaman and his wife, DJ, drove from San Antonio, through rain and fog, to claim their prize.

"This is just phenomenal," said Gesaman, who has served in the Army for 31 years. "I never win anything, and my wife talked me into entering." X



The Exchange streamed the excitement from the outreach booth on Facebook Live. See video from the Veterans Village.



Veterans from the Exchange made up the Wall of Heroes that was displayed around the stadium during the game.



The Exchange logo and reference to ShopMyExchange.com were on display in the stadium's end zones.

Exchange Streams Olympic Coverage

From desktops and personal devices, U.S. service members around the world can watch streaming coverage of next month's XXIII Olympic Winter Games from PyeongChang, South Korea, compliments of the Exchange and NBC Olympics.

The benefit, which associates are encouraged to tell customers, is provided to current and honorably discharged Soldiers, Airmen, Sailors, Marines, Coast Guard members, the National Guard and Reserves by Comcast NBCUniversal and local cable, satellite, dMVPD, and Telco providers.

1,800 hours of streaming coverage

NBC Olympics will produce more than 1,800 hours of streaming coverage as more than 2,800 athletes from 90 countries compete in 102 medal events from Feb. 7-25.

NBC's primetime coverage of the 2018 PyeongChang Olympics begins Thursday, Feb. 8.

"We're excited to partner once again with Comcast NBCUniversal to bring the Olympics into the living rooms or barracks of service members and their families all over the world," said Tom Shull, the Exchange's director/CEO. "Let the Games begin!"

Service members will access Olympics coverage from their computers or personal devices by visiting NBCOlympics.com or the NBC Sports app, and choosing the Exchange as their service provider.

Due to content rights restrictions, an active ShopMyExchange.com account is required to verify eligibility. Content rights restrictions will also



Direct customers to stream the winter games: shopmyexchange.com/ winter-olympics

apply to some locations outside the continental United States.

Traits of Olympians, troops

Retired Brig. Gen. Carol Eggert, a senior vice president at Comcast NBCUniversal, said, "The traits of Olympic athletes—determination, teamwork, perseverance—are shared by our service members, and it is a privilege for Comcast NBCUniversal to bring this landmark event to those who serve our nation."

Second time streaming Olympics

This is the second time Olympic coverage has been streamed live for the troops enjoyment. The fist time was through a similar partnership between the Exchange and Comcast NBCUniversal in 2016 when the Rio Olympics were streamed live to U.S. service members. X

March 31 is Deadline for AREA College Scholarships

This year, the AAFES Retired Employees Association (AREA) will award 12 scholarships worth a total \$40,000 to graduating high school seniors who have been accepted at accredited colleges.

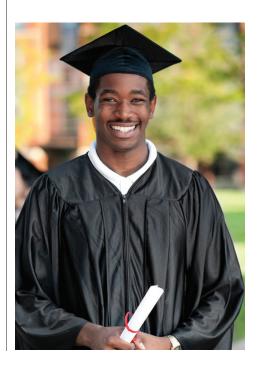
Students and their parents should apply soon; the deadline is March 31.

AREA's scholarships directly benefit dependents of Exchange associates and assigned military personnel.

Scholarship amounts are:

- Two scholarships at \$5,000 each
- 10 scholarships at \$3,000 each

AREA leaders may award more scholarships depending on the number and quality of applications. For information, including an application form, go to AREA's website. X



Warning: Many Vish Swim in the Digital Sea

By Steve Smith

You've heard of "phishing," in which scammers try to steal your information via computer.

Now, voice phishing, or "vishing," is an emerging threat in which scammers seek to get your information through one of the most trusted forms of communication—the telephone.

"The best way to prevent falling victim to a vishing scam is simple: do not give your credit-card number, verification code, PIN or other sensitive information to an unsolicited or unknown caller," said Chief Administrative Officer Phil Stevens, who oversees the Exchange's IT Directorate.

"You never know who's on the other end of the line."

Beginning with a phish

Some legit organizations use telephone calls to verify account and billing information. Consequently, some phone targets of scammers let their guards down, which they wouldn't for emails.

Many vishing attacks begin with simple phishing e-mails or phone text messages, urging recipients to call a toll-free number.

Using multiple contact methods establishes an innate sense of trust in the recipients, and makes them more likely to fall victim to the scam, Stevens warned.

Appealing to fear

Additionally, vishing appeals to a person's feelings of urgency and fear.

The most common vishing schemes begin with an automated message: "Your account has been

"You never know who's on the other end of the line."

-Phil Stevens, chief administrative officer

compromised" or "We have detected a fraudulent charge." The recipient is told to call a number to update account information.

Going 'bohoing' in the night

Phishing and vishing also acquire trust of their targets by mimicking a real organization or person. This is called *pretexting* or *bohoing*. A



vishing scam can copy the caller ID information of a real organization, making the call appear legitimate.

Many voiceover IP (VoIP) services have more relaxed policies regarding caller ID than telephone companies, so vishers using these services can pretend to be anyone. X

Received a phishing email? Click the "Report Spam" button in Outlook or forward it to SpamReporting@aafes.com.

'No Dice' on Workplace Gambling

The NCAA college basketball championship—otherwise known as "March Madness"—will soon capture the imaginations of Exchange sports fans. However, the Office of the General Counsel reminds associates that office pools for the basketball games are considered gambling and prohibited on federal property.

Three elements

Gambling involves three elements: a game of chance; consideration, basically something of value for the possibility of winning; and a prize.

Throwing in money into a March Madness pool satisfies all three criteria, so it's not allowed



in the workplace, according to federal regulations. Additionally, using Exchange time and equipment violates the CEO's letter on communications equipment.

What about fantasy football?

Fantasy football leagues for money also count as gambling, fantasize away, but don't participate. X

SHARE YOUR STORY

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

Family Ties Pushed Her to Join Exchange

By Sgt. 1st Class Luke Graziani

One Exchange core value, "Family Serving Family," is much more than a catchy slogan for many of the organization's associates. More than 85 percent of the Exchange's 33,000 associates around the world are connected to the military.

Alexandria Gazaway is no exception. She supervises the Exchange's school feeding program at Camp Kinser's Elementary School, but her journey to there started many years before.

Her father served in the Air Force for 24 years; her grandfather and great-grandfather also were military pilots.

"I believe having family ties to the military did affect me joining the Exchange family," Gazaway said. "I am an Air Force 'brat,' and AAFES has always been around every base I have lived on."

Enhancing quality of life

Immediate family members of troops are accustomed to having the Exchange present in their lives as a place to shop, relax and enhance their quality of life, she added.

"My parents took second jobs at the Exchange at various duty stations," Gazaway said. "The jobs not only helped with income for school supplies and new clothes for my siblings and myself, but helped them learn different skills and make new friends."

Her mother, who is from El Salvador, improved her English when



Alexandria Gazaway, second from left, joins Pacific Region Commander Col. Scott Maskery (far right), Deputy Commander Lt. Col. Brian White (far left) and her staff at the Camp Kinser Elementary School cafeteria.

"I believe having family ties to the military did affect me joining the Exchange family. I am an Air Force 'brat,' and AAFES has always been around every base I have lived on."

she worked at the Kadena AB school lunch program, Gazaway said.

Like a 'small village'

The relationship between the Exchange and customers is much like a small village where everyone knows everyone and all who are able pitch in to help the other and take pride when the community succeeds, she said.

"The most difficult challenge
I have had to overcome while
working with the Exchange was to
stop being so introverted," Gazaway

said. "I was extremely shy as a child. Working at the Exchange, you are constantly interacting with other associates and customers, asking if anyone needs help, making small conversations, etc.

"Here at Kinser Elementary, the primary customers are students K-5 who will inform you about anything and everything from who cut the lunch line to 'I am getting a new baby brother.' They are the most talkative customers I have ever met." X

History FunFact

1955

The year AAFES began serving school lunches, on United Kingdom military installations.

SHARE YOUR STORY

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

Associate's Scrapbooks Detail Rich History

By Cormisha Carson

Like thumbing through an old family album, the self-proclaimed historian Marta Antonio can tell you who's who by flipping through her four scrapbooks of memorabilia representing 15 years of working at the Fort Carson's Military Clothing Store.

With most of her 35-year Exchange career spent at Fort Carson, she's witnessed generations of Soldiers proceed through the ranks. Antonio started the scrapbook collection to inform customers about post events.

"I met the installation commander when he was a two-star general," Antonio said. "I have customers who, after they retired and their kids have joined the Army, bring their children to see me.

"It's so exciting to be able to



Associate Marta Antonio shows Exchange Director/CEO Tom Shull her scrapbook.

show them pictures of their fathers or mothers.

"Fort Carson has world-class Soldiers who go to the Olympics, the Army games and competitions with all of the military athletes of the world," said Antonio. "In my scrapbooks are featured athletes who have won gold in the Olympics.

"I make sure to keep the pictures so they can sign them when they come in." Antonio said she never forgets a face and delights in recognizing customers, even after years of absence from the store.

"I had a customer who came in one day and I said 'I haven't seen you in a long time,' then he said 'Ms. Marta! I've been gone for ten years, I'm just coming back.'

She said she doesn't intend for the scrapbooks to gather dust even after she retires. They're too valuable for telling the Exchange story at Fort Carson.

"They will retire with me for memorabilia and to reminisce," Antonio said. "Fort Carson's got a good thing going on with the Olympics, the Games, competitions and things like that.

"We have all those great Army athletes right here at Ft. Carson, it's such a beautiful thing," X

HR Manager Recognized for Hiring Wounded Warriors

HR Manager Jadi Rendulic won recognition recently for recruiting Wounded Warriors for jobs at the Exchange.

Rendulic, who works at Germany's KMCC Exchange, was recognized for her partnership with Landstuhl Recovery Care Division Manager James Chlapowski and the Army Wounded Warrior Program.

She and Chlapowski recruit Wounded Warriors transitioning out of the military and remaining overseas. She has helped place 60 of them in Exchange jobs. Rendulic also works with other Exchange HR managers in Europe to place Wounded Warriors, including several at the Germersheim Distribution Center.

Throughout the world, the Exchange has hired 1,000 Wounded Warriors, second only to the Army.

Chlapowski presented Rendulic with a certificate of appreciation. Exchange SGM Eliecer Quintero presented her with a commander's coin for her work.



KMCC HR Manager Jadi Rendulic poses with Europe Region Commander Col. Scott McFarland and Landstuhl Recovery Care Division Manager James Chlapowski.

Imprest-Fund Stores are a Lifeline for Troops

By Steve Smith

For American troops serving in the African country of Niger, where the deeply rooted terror groups ISIS, Al Qaida and Boko Haram operate, their little store at this tip of the spear represents their lifeline to America.

In this closet-sized room, the Soldiers can buy basic necessities, snacks and drinks they otherwise wouldn't see because of their isolated and dangerous location.

Their little "exchange," so to speak, is an "imprest-fund" site, named after the account from which the Exchange draws money to provide Soldiers resources to get the facilities running and stocked.

"With imprest-fund sites, we can be in partnership with the forces in the field to bring them the American goods and services they want," said Roger Neumann, vice president of contingency plans.

Classic examples of the Exchange serving troops wherever they go, imprest-fund sites are military-operated stores, usually in small or remote locations where regular Exchanges cannot be provided, for various reasons.

The number of troops either is too small or the situation is too dangerous for deployed Exchange associates. In addition, the military mission may be of such a short duration that a full-fledged Exchange wouldn't be economically feasible.

But the Exchange still fulfills its mission of looking after Warfighters, said Lt. Col. Michael Yerkic, chief of plans and operations for the Europe/ Southwest Asia Region.

Imprest-fund sites date back to the Vietnam War, but were used in much larger numbers during Operation Desert Shield/Storm in 1990-91 and throughout the wars in Afghanistan and Iraq.

"Imprest-fund sites are feasible and sustainable retail services that can be operated for an indefinite period of time, bringing the Exchange and a taste of home to service members anywhere on the battlefield," Yerkic said.

In 2017, the Exchange provided start-up funds and merchandise

to four troop-run stores in Turkey, Tunisia and Niger. The Exchange continued to provide merchandise for four other imprest-fund sites in Cyprus, Ukraine, Turkey and Cameroon.

U.S. military leaders recently asked the Exchange to support an imprest-fund site in the African country of Kenya.

The Exchange's Pacific Region also supports two imprest-fund sites on mainland Japan. Both are remote sites with little to no access to American products, the local economy or easy access to an American military installation and a regular Exchange.

The imprest-fund stores are in addition to mobile field exchanges that Exchange associates operate for thousands of troops at tips of the spears throughout Europe and South Korea for larger military operations.

Imprest-fund sites contain inventory that starts at \$15,000, but can range up to \$50,000. Money generated from the sales of the merchandise is used to replenish the stocks and doesn't go to military units.



Marines line up at their Exchange imprestfund "store" at Afghanistan's isolated forward operating base in 2015, but they no longer operate in 2017.



Soldiers at Afghanistan's FOB Ghormach buy personal necessities from their imprest-fund site in 2012.



A Marine stocks shelves with tastes of home at an Exchange-supported imprest-fund site in 2015 at FOB Shukvani in an isolated region of Afghanistan, .

Imprest-Fund Stores are a Lifeline for Troops

When the units have finished their missions, the leftover money and merchandise are returned to the Exchange.

The imprest-fund sites in Niger and Cameroon, and possibly Kenya, are particularly crucial because the U.S. government doesn't have agreements with African countries to allow the Exchange to operate taxfree facilities, Yerkic said.

Additionally, "logistics to sub-Saharan Africa's land-locked countries like Niger also is costprohibitive, making imprestfund sites the best ways to ensure American troops get the merchandise they need," he said.

Imprest-fund sites date back to the Vietnam War. During Operation Desert Shield/Storm in 1990-91, the Exchange supported more than 150 such stores throughout the Middle East.

Imprest-fund stores also were widely used in forward operating areas in the Afghanistan and Iraq wars.

In 2016, U.S. troops operated an imprest-fund site from March to

September for military exercises in the former Soviet republic of Latvia.

Another imprest-fund site opened for the Joint Multinational Training Group in early April 2017 in Ukraine, another former Soviet republic. The store was initially allotted a \$10,000 line of credit to purchase products, but got \$25,000 due to demand from the Soldiers.

"Being deployed and being away from everything you love, it's hard to find some relief because you are constantly going," said Staff Sgt. Michael Ford, one of two Soldiers who operate the store. "It's rewarding to see them (Soldiers) come through the door after they have been in the field all day and pick some items up to boost their morale." X

Read more about imprest-fund sites and other ways the Exchange supports troops in the field.

Learn about how the Exchange is serving troops at the tip of the spear <u>here</u> and <u>here</u>.



In 1991, members of the 354th Tactical Fighter Wing from the now-closed Myrtle Beach AFB, S.C., set up the first troop-run store for Operation Desert Shield/Storm in Saudi Arabia.



In a Niger imprest-fund site in late 2017, troops look over merchandise from the Exchange. Two imprest-fund sites are located in the African nation.



At Tunisia's Sidi Ahmed AB, a Soldier checks inventory at her imprest-fund site set up in late 2017. During World War II, full-fledged post exchanges operated in the north African country.



At Akrotiri AB in Cyprus last year, Soldiers set up their imprest-fund site with money and merchandise from the Exchange.

Customer Service: These Associates Rock!

Robert Golaszewski **Europe Region/** Poland



Stephanie Fugman Pacific Region/ **Schofield** Barracks, Hawaii

'Family Serving Family.'"



Betty White and Norma **Delancy** Eastern Region/Fort Meade, Va.



"I have never encountered such a high degree of service anywhere else in the world."

Lorraine Macias Central Region/ Fort Hood, Texas





Wanda Thomas and Jacob Mauga Western Region/Fort Richardson

"Wanda and Jacob make my visit to Subway extremely pleasant."

"Betty and Norma are a credit to the Fort Meade Exchange."

Karen Mofitt **HQ/CP Contact** Center



A customer said Karen had a very happy disposition, while a lieutenant colonel appreciated how pleasant and knowledgeable she was.

Read their entire customer comments!

"I thank Lorraine for going above and

beyond to show excellent customer

service. Happy Holidays!"

Check out who won Thanks Awards and celebrated anniversaries!



CHIEF OPERATING OFFICER

DAVE NELSON

Recognizing the Front Lines: Calling Out Top Associates

"You are excelling at the most important part of retail: the customer experience. You are taking customer service to the next level and our customers have certainly noticed." - Dave Nelson, chief operating officer

EASTERN REGION

Sue Catanch Shaw AFB main store

Star Lee Tyndall AFB Subway

Rebecca Harris Fort Belvoir Services

CENTRAL REGION

Richard Hagemaster Fort Leavenworth **Express**

Linda Senger Minot AFB **Burger King** Allen Maki

JANUARY 2018

Scott AFB Services & Vending

WESTERN REGION

Arturo Delgado Fort Bliss **Cassidy Express**

Kevinn Asahan Davis Monthan AFB Starbucks

Katie Pattillo Fort Wainwright Barber shop

Read about them!

EUROPE REGION

Nicholas Hawes Poland MFE 6

Sandra Felzmann Vilseck

Amit Iain Kuwait

Burger King

Mobile accessories

PACIFIC REGION

Ioseph Briscoe Camp Zama main store

Wada Kivoshi Camp Zama Anthony's Pizza

Chinman Chong Camp Walker Services

Caught Doing the Right Thing

Core Value: The Courage to Use Good Judgment

These associates were caught by the Loss Prevention Directorate doing the right thing—working safely to avoid injuries and keep the Exchange's healthcare costs in check.



Camp Bondsteel, Kosovo — At the Eastern Europe Exchange, Sahadete Mehmeti and Belul Aliu were caught doing the right thing by practicing ladder safety.



KMCC, Germany — In the food court warehouse, Nate Spaulding uses a ladder to safely reach high items.

Check out this free ladder-safety course.



Camp Marechal De Lattre De Tassigny, Kosovo — Asllan Pajaziti uses the required safety knife and gloves while opening boxes.



Fort Rucker, Ala. — Store Manager Beate Bates presents a gift card to Department Manager Dexter Glover for verifying his identity before discussing sensitive info.



Baumholder, Germany — Burger King's Devin Sponaugle and Stephanie Jimenez prevent slips and falls by posting yellow caution signs while mopping floors.



MK AB, Romania — Azem Harullahau unloads a shipment while wearing safety gloves and other gear.

Caught Working Safely

Core Value: The Courage to Use Good Judgment

Like their counterparts throughout the Exchange, this month's distribution center associates were caught working safely to avoid injuries and keep the healthcare costs in check.



Korea DC's Forklift Operator Chae-Song Yim, left, shrink-wraps merchandise bound for an Exchange facility in Korea.



West Coast DC Materials Handler Lourdes Herrera shrink-wraps merchandise boxes so they don't fall and injure somebody.



Waco DC's Receiving Associate Keith Cottrell is caught working safely by wearing safety gloves when handling merchandise pallets.



Japan DC's Tanaka Fe and Chika Nakajima tackle a heavy box with the two-person lift method.



Germersheim DC's Sherifat Ladidi uses her legs to lift a box, demonstrating the proper lifting technique to prevent back injury.



Okinawa DC's Shosei Okuhama places blocks against a truck's tires to prevent the vehicle from possibly rolling off.

BEE Attentive & Alert to Keep

from Getting Hurt"



Dan Daniel DC's Jose' White is caught working safely by practicing good housekeeping to prevent slips, trips, falls and possible injuries.

HR Manager Wins Safety Motto Contest

Andrea Silverhorn, HR manager at Scott AFB, Ill., is the winner of the Exchange's 2018 Safety Motto Contest with "Bee Attentive & Alert to Keep from Getting Hurt."

Runners-up include: Thomas Trainor,
Schofield Barracks, Hawaii; Lakisha Tayor, Dallas HQ; Jackie Webster,
Dallas HQ; and Bryant Grant, Fort Belvoir, Va.

Check These New Year Health Plan Reminders

As we start the new year, here are a few helpful reminders on changes that took effect in 2017:

Maintenance Choice

Maintenance choice for regular and daily prescriptions, such as those for high blood pressure or high cholesterol.

Buy these prescriptions in 90-day amounts from Aetna Home Delivery or a local CVS pharmacy. Your cost will be \$20 for generic drugs, \$70 for preferred brand names or \$120-\$250 for non-preferred brands. If you don't follow this procedure, you'll pay the full cost of the prescription with no plan coverage.

For questions, call Aetna at the number on your ID card. Check out pharmacy information at nafhealthplans.com brochure at nafhealthplans.com/files

Maximum Allowable Amounts

Maximum allowable amounts are limits on how much the

Email Questions to PayFlex

Do you have questions about your flexible spending account or retiree health premium bill?

You can send a secure email to PayFlex in two ways:

- When you're logged into the <u>Aetna.com</u> site. At top of page, click Contact Us, then Send Message.
- When logged into PayFlex.com site. At top of page, click Help & Support, Contact Us, then Send an email. X

Exchange health plan will pay for procedures, such as:

- · Carpal tunnel release
- Cataract removal
- Colonoscopy
- CT scan with, without contrast
- Inguinal herniorrhaphy (hernia surgery)
- MRI with, without contrast
- Tonsillectomy and adenoidectomy
- Upper endoscopy

Lab procedures like these are available in hospitals, standalone clinics, lab offices and other medical facilities. Your doctor may recommend a particular place, but you aren't required to go there. Prices can range very widely, and are more expensive in a hospital and less expensive in other settings.

In most cases, the quality of service doesn't vary. If you have a procedure in a facility that costs more than the limit, you'll If you have a procedure in a facility that costs more than the limit, you'll pay the difference—a strong encouragement to shop around.

pay the difference—a strong encouragement to shop around.

The plan sets a coverage limit tailored to each ZIP code.

Check out Aetna's maximum amount flyer at <u>nafhealthplans</u>. com/files

The overview is here_nafhealthplans.com X

Exchange Benefits Ranks #1

The benefit programs offered by the Exchange ranked overall as #1 in total value and employer value compared to a peer group of retailers, a business consultant says.

The 2017 study, conducted by Willis Towers Watson business consultants, included Best Buy; Kohl's; Macy's; the owner of TJ Maxx, Home Goods and Marshalls; Ross; Gap; JC Penney, Toys R Us and others.

The study compared health care, retirement, disability, life insurance, and paid time off.

In addition to ranking first overall, the Exchange ranked first for retirement and paid time off; second in life insurance; third in disability benefits; and fifth in medical and dental plans.

"The Exchange offers a rich benefit package for our associates and retirees," said Benefits Director Julie Emory. "Every few years since 1993, we've taken part in a consulting firm's survey to compare our benefits against our competitors. We continue to get the same great results."

To check out the Exchange benefits, go to <u>Employee Self Service</u> and click on "Hi, I'm Alex/eBenefits" and eCompensation Statement. ✗

TRANSFERS

Kalan Brown - HR manager trainee, HQ, to HR manager II, Vandenberg AFB

Lynda Casey - HR manager trainee, HQ, to HR manager II, Minot AFB

Patrick Fateusi - retail manager trainee, HQ, to assistant store manager (MS), Sheppard AFB

Jordan Flint - store manager (BR/Gas), Fort McCoy, to retail business manager, Fort Hood

Angelita Gonzalez - shift manager (retail/gas), Luke AFB, to store manager (BR), Travis AFB

Patricia Jones - general manager, Carlisle Barracks, to store manager (MS), Fort Bragg

Kathleen Litterer - store manager (MS), Robins-Moody AFB, to general manager, IB Charleston

Xue Liu - HR manager trainee, HQ, to HR manager II, Denver

Mary Loree - food court manager, Fort Riley, to food court manager, Fort Campbell

Ladda Marx - sales & merchandise manager, Nellis AFB, to general manager, Vandenberg AFB

James Meadows - restaurant manager, Fort Lee, to restaurant manager, Hickam AFB

Michael Saraka - retail manager trainee, HQ, to store manager (BR), Fort Gordon

Michael Tura - sales area manager, Yokota AB, to assistant store manager (MS), Seymour Johnson AFB

Danielle Watson - department manager, Cannon AFB, to store manager (BR), Kwajalein

Dominic Wilkerson - food court manager, Robins-Moody AFB, to restaurant manager, MacDill AFB

IN MEMORY

Charles Angleberger, 81, died Oct. 10 in Kitzingen, Germany. The Wuerzburg warehouse worker retired in 2007.

William Bate 84, died Sept. 25 in Folsom, Calif. The Alaska Area district manager retired in 1992.

Ernest Baugher, 90, died Oct. 24 in Melbourne, Fla. The Exchange equipment and facility mechanic retired in 1993.

Samrit Bell, 66, died July 13 in Pearl City, Hawaii. The Schofield Barracks shift manager retired in 2004.

Junius Boling, 80, died Sept. 2 in Mary Esther, Fla. The Eglin AFB warehouse foreman retired in 1997.

Annie Brooks, 92, died Sept. 12 in Columbia, S.C. The Fort Jackson associate retired in 1980.

Michelle Chiles, 53, died Oct. 27 in Capital Heights, Md. She was a senior store associate at JB Andrews.

Maurice Dillon, 43, died Nov. 9 in El Paso, Texas. He was a food service worker at Fort Bliss.

Irmingard Estes, 90, Died Oct. 23 in Irvine, Calif. The Fort Hood Exchange associate retired in 1985.

David Gibson, 76, died Nov. 5 in The Colony, Texas. The Exchange logistics analyst retired in 1997.

Brenda Giles, 72, died July 8 in Atlanta, Ga. The HQ warehouse worker retired in 2009.

Ruth Green, 70, died Sept. 7 in Red Oak, Texas. The HQ marketing operations manager retired in 1992.

Virginia Horton, 88, died Oct. 27 in Maggie Valley, N.C. The Fort Jackson operations clerk retired in 1989.

Donald Howey, 77, died Nov. 16 in Dayton, Ohio. He was a senior store associate at Wright-Patterson AFB.

Louise Laskey, 74, died Oct. 6 in Locust Grove, Ga. The Exchange logistics assistant retired in 2003.

Daniel Miller, 86, died Sept. 26 in San Angelo, Texas. The NAS Fort Worth JRB warehouse foreman retired in 2000.

Rafaela Montiel, 76, died Oct. 28 in Lorton, Va. She was a senior store associate at Fort Belvoir.

Aquilino Oliva, 70, died Oct. 16 in Waipahu, Hawaii. The Hickam AFB shift manager retired in 1993.

Janie Pinckney, 96, died Nov. 5 in Wedgefield, S.C. The Shaw AFB cashier retired in 1982.

Hilda Santiago, 90, died Oct. 1 in Orlando, Fla. The Puerto Rico sales associate retired in 1991.

Nancy Sasaki, 96, died Sept. 21 in Honolulu, Hawaii. The Hawaii Area associate retired in 1974.

Kathy Smith, 61, died Nov. 5 in Cedar Hill, Texas. She was an HQ replinishment allocation specialist.

Willie Smith, 98, died Aug. 29 in Beebe, Ark. The Goodfellow AFB associate retired in 1974.

Dolores Stoneburner, 71, died Aug. 1 in California City, Calif. The Edwards AFB store associate retired in 2007.

Thomas Sweat, 72, died Oct. 27 in McDonough, Ga. The HQ specialized distribution center motor vehicle operator retired in 1996.

Kikue Takushi, 86, died Aug. 18 in Okinawa City, Japan. The Okinawa Exchange senior store associate retired in 2007.

Jo Tate-Ashton, 78, died Oct. 8 in Grand Prairie, Texas. The HQ merchandising assistant retired in 2008.

Dora Uyeno, 94, died Aug. 24 in Denver, Colo. The Rocky Mountain Area associate retired in 1973.

Stanley Walker, 103, died Oct. 14 in Walnut Creek, Calif. The Central California Area associate retired in 1976.

Joseph Werres, 79, died Aug. 14 in Combine, Texas. The HQ associate retired in 1995.

Joanne Whitlock, 80, died Sept. 15 in Arlington, Texas. The HQ operation support center supevisory contracts specialist retired in 1993.

Nita Williams, 83, died Oct. 18 in Cabool, Mo. The Fort Leonard Wood sales associate retired in 1988.

Aviline Winslow, 98, died Oct. 23 in Austin, Texas. The HQ associate retired in 1981.

RETIREMENTS

Connie Cox, HQ, 20 years Lea Gil, Schofield Barracks, 14 years Karen Holloher, Davis-Monthan AFB, 17 years

Michael Immler, HQ, 31 years **Ethel Johnson,** Fort Benning, 10 years Deanna Koranda, IB Elmendorf, 15 years

Jay McCartin, HQ, 27 years Siriwan Packard, Offutt AFB, 21 years Pedro Perez, Lackland AFB, 32 years **Glenda Riecke,** Hunter AAF, 18 years Phillip Victorian, Fort Carson, 33 years David Webb, HQ, 10 years

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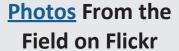
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Assistant Editor









Social Media Installation Monthly Update

Find all Exchange social media channels and links here.

How does your Exchange social media stack up?	Reach	Likes	Check-ins	Weekly Growth	Engagement	Reactions
			8	iji		
Week of December 4	641,718	2,758	5,640	136%	508%	16,244
	JB San Antonio - Lackland	Ramstein- KMCC	Randolph AFB	JB San Antonio - Lackland	JB San Antonio - Lackland	JB San Antonio - Lackland
Week of December 11	26,485	2,786	5,655	18%	5%	846
	Fort Buchanan	Ramstein- KMCC	Randolph AFB	Wiesbaden	Fort Buchanan	Fort Buchanan
Week of December 18	40,855	2,815	5,706	54%	31%	869
	Afghanistan	Ramstein- KMCC	Randolph AFB	Fort Sam Houston	Fort Sam Houston	Andersen AFB
Week of December 25	17,785	2,865	5,738	16%	9%	456
	Andersen AFB	Ramstein- KMCC	Randolph AFB	Fairchild AFB	Fairchild AFB	Andersen AFB

Exchange Service Named a 2018 Military Friendly Employer, Military Spouse Friendly Employer

By Julie Mitchell

As a sign of its commitment to the military community, the Army & Air Force Exchange Service has been named a 2018 Top 10 Military Friendly Employer® and Military Spouse Friendly Employer® by Victory Media, publisher of G.I. Jobs and Military Spouse magazines.



The annual Military Friendly
Employer list honors companies
based on hiring, retention, promotion
and advancement of Veterans and
service members. The military
spouse list recognizes employers
that hire spouses of service members
and promote workforce development
policies and programs that support
the challenges of military life.

"Exchange associates who served and sacrificed for our Nation or are military shoppers know our customers better than anyone," said Air Force Chief Master Sgt. Luis Reyes, Exchange senior enlisted advisor. "It is a privilege to have Veterans and military spouses in our ranks and embrace the perspective they offer."

The Exchange hired more than 1,200 Veterans worldwide in 2017,

The Exchange hired more than 1,200 Veterans worldwide in 2017, and 11.5 percent of the Exchange's 35,000 associates are Veterans.

and 11.5 percent of the Exchange's 35,000 associates are Veterans. In 2017, more than 4,000 military spouses joined the Exchange's ranks. In all, the Exchange employs more than 6,000 military spouses, comprising 21 percent of the workforce.

The Military Friendly Employer designation comes as the Exchange began serving honorably discharged Veterans once again on Veterans Day with a lifelong online military exchange shopping benefit. All who served honorably receive military-exclusive pricing and tax-free shopping at shopmyexchange.com. Eligibility to shop can be verified at shopmyexchange.com/veterans.

The Exchange was featured along with other companies earning the Military Friendly Employer designation in G.I. Jobs magazine's December edition. This is the fifth consecutive year the Exchange has been recognized as a Military Friendly Employer and the sixth consecutive year it has earned the Military Spouse Friendly designation.

Veterans, military spouses and others seeking employment with the Exchange can visit applymyexchange. com to view job openings worldwide. X

Reflecting on Past Successes and New Opportunities

Continued from page 2

near and far to ensure all honorably discharged Veterans know of their new earned benefit and receive the homecoming they truly deserve. We will work to stand up 40 additional Ship-from-Store locations to make pick, pack, ship same day a reality at even more of our stores. We will continue to focus on our strategic priorities to further grow the Express, intensify national brands, and develop and inspire future leaders who are passionate about serving all who serve and have served.

"Thank you for all you will do to further strengthen the benefit we are honored to provide our military community in 2018."

And lastly, we will meet our operating result goals to protect and provide the dividend so deservedly earned by our service members and their families.

This year, I am again fortunate to stand alongside you. Thank you for all you did to make the Exchange the best it could be in 2017. Thank you for all you will do to further strengthen the benefit we are honored to provide our military community in 2018. X

Coming January 17:
<u>TheExchangePost.com</u> survey.
Let your voice be heard!



KNOW A VETERAN? TELL A VETERAN? VETERAN?

With 85% of Exchange associates having a connection to the military, there is a good chance you know someone who wears one of these patches with pride.

Tell your Veteran family and friends about the new Veterans online shopping benefit!

ShopMyExchange.com/Veterans

