

coupon redemption in the digital age

seamless redemption for digital, electronic & paper coupons



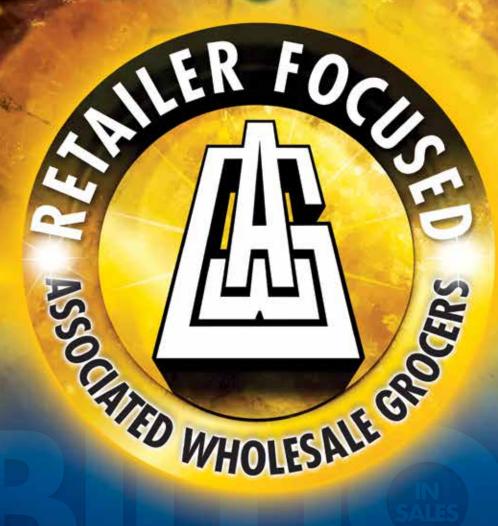
Proudly Offered through

Nebraska Grocery Industry Association

For more information call ACS at 1-800-260-4642.

SOMETHING'S

Total Sales UP
Annual Rebates UP
Same Store Sales UP
New Memberships UP



SURVIVE & THRIVE WITH AWG

CALL RHONDA LOFTUS @ 913.288.1216

VISIT WWW.AWGINC.COM

CONTENTS

features & departments

| Executive Director's Corner

FMI Awards NGIA Reunion 10-11 Legislation NGIA Sand Baggers Golf Outing 15

Things You Need to Know

Customer Service

18

advertisers

Advantage Sales

OBC Affiliated Foods Midwest

23

IFC American Coupon Services

Anheuser-Busch 13

20 Arctic Glacier

Associated Wholesale Grocers 1

22 Bimbo Bakeries/Sara Lee

13 Bunzl

28 Cheyenne International, LLC

27 Coca-Cola

13 Commonwealth Altadis

16 ConAgra Foods

17 Crystal Farms

8 Dean Food/Land O Lakes

12 Diageo

13 Dr Pepper/Snapple

Fareway Stores, Inc. 26

19 Farner Bocken

17 Frito Lay

Hiland Dairy 28

20 Kemps

26 Kraft

6 Mondelez International

6 National Tobacco

14 Nebraska Lotterv

26 Omaha World Herald

9 Pan-O-Gold Baking Company

Pepsi

12 Retail Data Systems

28 R.J. Reynolds

29 Shazam

20 Sparboe Farms

5 SpartanNash

27 Swedish Match

12 The Brenmar Company

The Mark Anthony Brands

2.1 Wells Enterprises, Inc.

Wildhorse Distributing

Chairman of the Board: **Lonnie Eggers** No Frills Supermarkets

Vice Chairman of the Board:

Mike Brtek

Lou's Thriftyway

Treasurer:

Mogens Knudsen

Plum Creek Market Place

Peter Clarke

Crete Foodmart IGA Market Place

Executive Director:

Kathy Siefken

Nebraska Grocery Industry Association

Directors:

Larry Baus

Wagner's Food Pride

Jason Dworak

Anheuser-Busch

Brenda Guill

Affiliated Foods Midwest

Eric Haecke

Coca-Cola

Jeff Holling

Crystal Farms

Bill Huenemann

5th Street IGA

Lezlie Maguire

Cubby's

leff Mueller

Hy-Vee

Steve Pirtle

Associated Wholesale Grocers

Pat Raybould

B&R Stores Russ's Markets Super Saver

Tom Ryks

Smart Chicken

Ted Stessman

Farner Bocken

Owned and Published by:

Nebraska Grocery Industry Association, Inc. 5935 South 56th Street, Suite B, Lincoln, Nebraska 68516-3301

Phone: (402) 423-5533 or 800-433-6742 E-mail: ksiefken@nebgrocery.com.

We retain the right to refuse any advertisement or copy content deemed inappropriate or inconsistent with our goals and objectives to serve our members.

Executive Director's Corner



By Kathy Siefken

The 2015 Legislative Session was a new experience. It appeared to be a very conservative body. Now that the 2015 Legislative Session is over and we have time to review the outcome, it is apparent that we have elected individuals who do

not vote based on party, but do vote based on personal convictions. With a new Governor, Lt. Governor and 18 new State Senators, in addition to a large number of new Department Heads, it was easy to assume that this would be a very conservative legislative session. In the end that assumption was wrong and it proved impossible to assume how any one person would vote on any given issue.

Thirty-five members were registered Republicans; 13 were registered Democrats; and one Senator was registered as an independent. This legislative body, with a vast majority of Republicans, over rode the Governor's veto on not one, but three separate issues: an increase in gas tax, driver licenses for dreamers, and repeal of the death penalty.

A number of senators made it clear during debate on override motions that Gov. Ricketts was not the issue. Even senators who are registered Democrats continued to say that their relationships with the governor were collaborative, positive, and friendly.

This appears to be the new normal in Nebraska. In 2015 political parties did not control the process and they did not determine the outcome – independent-

thinking State Senators did. The 2016 Legislative Session will most likely bring more of the same. We do not have gridlock in Nebraska, even though it appeared so at times during heated debate. The 2015 Legislature accomplished what they set out to do – pass a balanced budget and make this a better place for all of the citizens of this state.

NGIA was deeply involved in the debate regarding a lower minimum wage for inexperienced, untrained children who were 18 years of age or younger. Our message was that we take inexperience and turn it into a skill, giving kids an opportunity to gain knowledge while working a job. We fell short on final reading because due to the fact that minimum wage was addressed in 2014 by a ballot initiative, a supermajority of 33 votes is required to change the minimum wage laws in the State of Nebraska. On final reading the official vote was 29 in favor of the bill, but that didn't count those who were absent or those who did not vote because they knew the two absences would bring it short of the required 33. At the end of debate we still had 32 strong supporters – only one vote short. 2016 might bring a different outcome.



The Midwest Brings Home FMI Awards

Brian Hayes Wins FMI Store Manager Award for Category A



Brian Hayes, a store manager for Super Saver in Lincoln, Nebraska was awarded the FMI Store Manager Award for stores with 1-49 locations. Back in 2013, Brian was charged with opening a new 61,000 square foot large volume store. Brian is described as a "down to earth" leader and is known for constantly engaging with his associates and shoppers. He regularly shares innovative ideas that help not only his store, but the overall company. His guidance has helped his store have the second lowest employee turnover in the Super Saver Group and helped his store win the company's 18 store annual Mystery Shopper ACE Race award in 2014 as the best overall service store in the company with a 95.13% overall score. Through partnerships with several local community organizations and regular store events including Red Hot Patio Parties, car shows and even food fights, Brian has helped establish his store as a strong community member. His store maintains exceptional shopping conditions and customer service. The new store has quickly become the fifth-ranked Super Saver in the state and store sales increased by more than 13% in 2014.

Brian Wilken Wins FMI Store Manager Award for Category C



Brian Wilken, store manager for Hy-Vee, Inc.in Charles City, Iowa was awarded the FMI Store Manager Award for stores with 100+ locations. Brian's goal is to challenge his employees to make his store the friendliest store in Northeast Iowa. On any given day you will find Brian on the sales floor working with employees and greeting customers. Under Brian's leadership, the store has developed a more comprehensive training program that includes new incentive program to recognize employees for exemplary customer service. Brian's store also creatively showcases talent by hosting cooking demos in the aisles and events throughout the year - even a Valentine's Day candlelit dinner with a string quartet. From local school events to charity events, including Relay for Life, Brian's store is always giving back to the community. Brian combines strong leadership skills with a vision for the future that has resulted in a six percent sales increase and a 94% profit increase fiscal year 2014.



Food for thought

Choosing a primary food distributor is one of the most important strategic decisions that every independent grocery retailer must make.

SpartanNash stands out as a smart choice for many reasons:

- Supplies approximately 1,900 independent retailers
- Operate 21 distribution centers across the U.S. covering 44 states
- · Superior purchasing power due to our size
- Provide the full range and selection of supermarket products
- Provide several extensive lines of quality Private Label brands
- Over 100 unique support services to assist in growing your business
- Combined talent, resources, and experience that provide unsurpassed service and product offerings to all of our customers

We're here to partner with you every step of the way. Before you know it, you'll have the advantage of SpartanNash products, services, and smarts working for you.

Visit SpartanNash.com for more information or call:

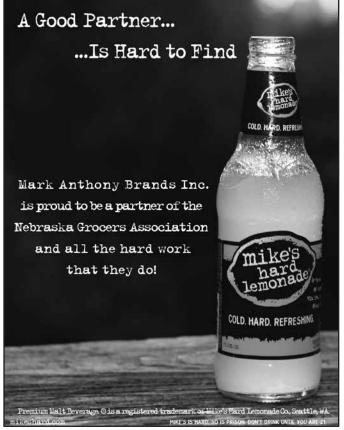
Joe Hermes 419-998-2502 VP of Sales - South Heartland Region











NGIA Holds Reunion for Past and Current Board Members

On May 8 the Nebraska Grocery Industry Association held a "Board Reunion", celebrating the volunteers who have served on the NGIA Board of Directors since 1985. More than 80 individuals have served on the board, guiding the industry to its current success. There were several who have passed away and several that we were not able to locate.

Deceased include Daryl Arneson, Norman Stehlik, Rudy Stoysich, Larry McCord, Jack Murphy, Randy Harlan, Al Middleton, Norman Plotkin, Bill Lancaster, Bus Hansen, Oscar Diamond and George Tilley.

Those we were unable to locate include: Robert McKenney, Kirk Nelson, Bud Larsen, John Hansen, Kyle Quasebarth, Ken Hayner, Kirby Poppert, Dennis Johnston, Dave Bixby, Dave McKelvy, Larry Bussow, Scott Braden and Mike Fast. Anyone knowing how we may contact these individuals is encouraged to contact the NGIA office!

The Reunion was held at Cubby's Corporate Office in Omaha where we were guests of Phil Morrison and DeLone Wilson. It was a great time to catch up with old friends and touch base with those we have not seen for years. Our thanks go out to all who have served on the NGIA Board of Directors – you have made NGIA what it is today! A special thanks to Cubby's and Anheuser Busch for their support of this event.





Pure quality. Pure profits.

Customers always reach first for trusted LAND O LAKES® Milk. Our FlavorTight™ bottle preserves fresh flavor and essential nutrients by blocking out harmful light. That's why LAND O LAKES® Milk starts pure from the dairy and stays pure for the family table. Simple goodness, naturally.

Find out how the natural, simple goodness of LAND O LAKES® Milk and dairy products can maximize your profits by calling 402-474-8700.



LAND O LAKES® Original Milk and Dairy Products

Pan-O-Gold Baking Company

Bakers of Quality Bakery Items







13247 Cary Circle La Vista, NE 68138 402-339-4803



LB 627 Provides Protections To Pregnant and Nursing Mothers

By Jack Shultz and Adam J. Prochaska O'Neill, Heinrich, Damkroger, Bergmeyer & Shultz, P.C., L.L.O. Lincoln, Nebraska

On April 7, 2015, the Nebraska Unicameral passed LB 627 by a vote of 45-0-4. Governor Rickets signed the law on April 13, 2015. LB 627 amends the Nebraska Fair Employment Practice Act, NEB. REV. STAT. 48-1101, et seq. ("FEPA"), and was intended to "clarify and solidify workplace protections for pregnant workers," "define reasonable accommodations for pregnant workers," and "to provide discrimination protections for pregnant workers similar to those already provided to workers with disabilities."

Generally, most employers with 15 or more employees (some City Ordinances set a different threshold number of employees), state and local governments, and labor organizations must comply with FEPA. Under FEPA, Nebraska employers are prohibited from discriminating on the basis of race, color, national origin, religion, sex (including pregnancy), disability, and marital status. LB 627 expands this list by providing that it is an unlawful employment practice to:

Discriminate against an individual who is pregnant, who has given birth, or who has a related medical condition in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions, and privileges of employment.

LB 627 further provides that discrimination includes not making "reasonable accommodations" for and "taking adverse actions against" an employee for using a reasonable accommodation. Significantly, "reasonable accommodation" includes: (1) the acquisition of equipment for sitting, (2)

more frequent or longer breaks, (3) periodic rest, (4) assistance with manual labor, (5) job restructuring, (6) light-duty assignments, (7) modified work schedules, (8) temporary transfers to less strenuous or hazardous work, (9) time off to recover from childbirth, or (10) break time and appropriate facilities for breast-feeding or expressing breast milk." An employer is required to provide these accommodations unless it can demonstrate that the accommodation would impose an "undue hardship on the operation of the business of the covered entity."

By defining reasonable accommodation to include both break time and facilities for expressing breast milk, LB 627 provides employees with more protection than the Fair Labor Standards Act (FLSA) and the Pregnancy Discrimination Act (PDA). A plain reading of the law suggests both exempt (salaried) and non-exempt (hourly) workers are entitled to break time and space. Further, breastfeeding moms are now a protected class similar to race and disability.

LB 627 includes additional protections and provisions covering individuals who are pregnant, who have given birth, or who have a related medical condition. You should consult with your employment law attorney to explore how this new law affects you.

Editor's Note: This article is not intended to provide legal advice to our readers. The authors of this article, Adam J. Prochaska and Jack Shultz, can be contacted at (402) 434-3000 or at O'Neill, Heinrich, Damkroger, Bergmeyer, & Shultz, P.C., L.L.O., P.O. Box 82028, Lincoln, NE 68501-2028, or at aprochaska@ohdbslaw.com and jshultz@ohdbslaw.com.

Nebraska Legislature Revises Worker's Compensation

For the first time in 20 years, the Nebraska Legislature revised Worker Compensation statutes during the 2015 legislative session. The bill passed Final Reading on a 46-0 vote.

The new law provides the following:

- 1. Worker Compensation benefits will be denied if an employee knowingly and willfully makes a false statement regarding his or her physical or medical condition by acknowledging that he or she is able to perform the essential functions of a job based on the employer's job description.
- 2. Clarifies that employees are not responsible for any finance charges or late penalty payments as a result of medical services rendered by a provider.
- 3. Sets the interest rate applicable to an award of workers compensation benefits in which an attorney's fee is permitted by changing the rate from 14% to a rate calculation of 6 percentage points above the bond investment yield, as published by the US Secretary of the Treasury. This substantially reduces the interest rate.
- 4. Expands the authority to invest funds held in an irrevocable worker compensation trust to allow for investments in the same manner that insurer's are allowed to invest funds reserved to pay claims under the Insurer's Investment Act.

Changes to Nebraska Liquor Laws Provide Relief to Retailers

Changes were made to our liquor laws that have a positive impact on retailers. LB 330 was signed by the Governor and will go into effect immediately due to an emergency clause, with the exception of the portion that deals with hard cider. Hard cider becomes effective July 1.

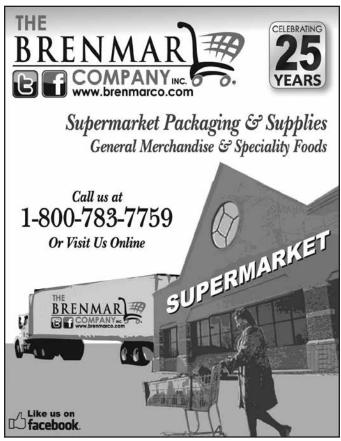
New statutes allow for the following:

- 1. Allow for the sale of draught beer to patrons of an establishment holding a Class C liquor license, commonly known as "Growlers";
 - 2. Allow liquor licensees 30 days for a late renewal;
- 3. Removes a mandatory hearing regarding a license application within 150' of a church if the church approves the license;
 - 4. Define hard cider as beer instead of wine;
 - 5. Prohibit the distribution and sale of powdered alcohol in Nebraska

Veterans Preference

Nebraska Governor Pete Ricketts signed legislation (L.B. 272) allowing private employers to adopt a voluntary veterans preference employment policy. Voluntary veterans preference employment policy means a private employer's voluntary preference for hiring and promoting a veteran over another equally qualified applicant or employee. The policy must be in writing and applied uniformly to decisions regarding hiring and promotion. The law goes into effect 90 days after the end of the Legislative Session, or on September 3, 2015.









COMMONWEALTH - ALTADIS, INC.

a sales and distribution company

For information contact Sam Roach at Sam.Roach@us.imptob.com

Bunzl Kansas City has the new

Optifill detergent and sanitizer from Johnson-Diversey.

No equipment, no mess, and very cost-effective!

Optifill is highly concentrated.

You get the exact amount of chemical for the amount of water you use.

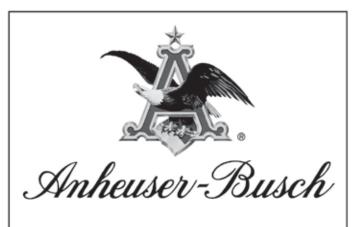
Each container gives you 168 10-gallon sinks.



If you want to save on your chemical costs, Call Craig Knavel

Bunzl Kansas City, all of your store supply needs from one supplier! 1-800-927-2231.





Proud Supporters of the Nebraska Grocery Industry Association



Lincoln 402-464-3169 Norfolk 402-371-9347





NGIA Sand Bagger Golf Outing at Iron Horse

On June 4 members met at Iron Horse Golf Club in Ashland to play 18 holes of golf in the NGIA Sand Bagger Golf Outing. We almost got in 18 holes between the storms. Morning hours brought rain, then cloudy skies which made for perfect play. Unfortunately the tournament was called in the later afternoon due to lightning strikes in the immediate vicinity. However, most teams were able to get 16 or 17 holes in before it was called. We thank our volunteers: Dave Green, Broken Bow Grocery Kart, and Jeff Mueller, Hy-Vee. Texas Hold 'Em was won by Todd Walton of Fareway, both as best hand coming off the course and best hand in the play-off. First Flight was won by Luke Lionberger, Shawn Albert, Alex Svehla and Pete Bunting. Second Flight was won by Lonnie Eggers, Brian Hytrek, Calvin McWilliams and Steve Klich and the Third Flight was won by Jeff Holling, Sally Rehmeier, and Dave Keitges.







Innovation trumps novelty.

Consumers love that our Healthy Choice* Greek frozen yogurt is as decadently satisfying as regular ice cream, but with 100 calories. We think you'll love it, too. We created this innovation to be shelved at warmer temperatures in the high-traffic

frozen single-serve entrée aisle' to build the basket with a shopper that is looking for a treat they can feel good about. Driving growth while putting a smile on your shoppers' faces...that's real innovation.

Everyday food. Extraordinary solutions.







PROUD SPONSOR OF THE

NEBRASKA GROCERY INDUSTRY ASSOCIATION



Dysfunctional Customer Experiences Risk Billions in Retail Losses

More than Eight in Ten Shoppers Don't Give Retailers the Chance to Fix a Poor Customer Experience

It may seem counterintuitive, but retailers should welcome the irate shopper who vents her frustration in an animated scene on the sales floor. That's because it's the mistreated customer who walks out the door in a silent huff who places the most revenue at risk, according to a collaborative study of dysfunctional retail touchpoints conducted by LoyaltyOne and Verde Group with Professor of Marketing and Psychology, Dr. Deborah Small, at the Wharton School of the University of Pennsylvania.

The March 2015 survey shows that approximately half of 2,500 U.S. consumers polled reported experiencing a problem on their last shopping trip. Of those customers, 81% decided not to contact the retailer about the issue. Among these silent shoppers, 32% said they were unlikely to recommend the retailer to friends and family, putting these shoppers at-risk of decreasing their spend with the retailer.

By comparison, the study shows that shoppers who did notify retailers of their poor experience and had their problem completely resolved were 84% less likely than silent shoppers to be at risk of decreasing their spend.

"The results are a resounding confirmation that poor customer experiences have a considerable negative impact on shopper spend and attrition which can run into the billions," says Dennis Armbruster, LoyaltyOne Consulting Vice President and Managing Partner. "We're ushering in a new era of customer experience measurement vital to retailers looking to make even more informed decisions."

Building on its leading behavioral analytics solution, LoyaltyOne Consulting has partnered with Verde Group, a leading customer experience research consultancy. Verde's proprietary Revenue@Risk analysis will use experience impact modeling to identify the specific customer

experiences most damaging to customer loyalty behaviors and prioritize them according to impact on revenue and market share.

Retailers should take note of the importance in identifying specific customer experiences most damaging to customer loyalty as billions of dollars are at risk. Below is the ranking per category:

- Mass merchandisers are putting 25% of potential revenue at risk
- Apparel retailers are putting 16% of potential revenue at risk
- Department stores are putting 15% of potential revenue at risk
- Drugstores are putting 12% of potential revenue at risk
- Grocers are putting 11% of potential revenue at risk

"Our methodology precisely measures the impact of ineffective customer touch points. Insight around the effects of poor customer touch points can help retailers reduce the risk of negative customer experiences, while also enabling them to proactively design experiences that positively influence spend, visit frequency and basket size," says Paula Courtney, President of Verde Group.

The survey also revealed that big spenders within a category disproportionately experience certain problems:

- Mass Retail "Check Out" Risk: Shoppers frustrated by check out wait times reported spending 23% more than the average mass retail customer (\$545 vs. \$446 a quarter)
- Department Stores "Not-My-Department" Staff Attitude: Shoppers troubled by an associate's not-mydepartment attitude reported spending twice as much as the average department

- store customer (\$543 vs. \$261 a quarter)
- Apparel Retailers "Ship Date": Particularly in their online channel, customers who cited their inability to obtain a specific date or time to receive an online order reported spending 66% more in the category (\$416 vs. \$250 a quarter)

"In a very robust platform, these partners have taken the psychology of shopping and married it with the economics of shopping. Insights around the impact of the silent customer could prove to be valuable tools for retailers looking to minimize the risk of attrition created from weak customer experiences," says Dr. Deborah Small, from The Wharton School of the University of Pennsylvania.

LoyaltyOne Consulting Managing Partner Dennis Armbruster, Verde Group President Paula Courtney, and noted academic Dr. Deborah Small are all available to provide expert insights on the research results and discuss how retailers can design touch points that most impact customer spend. Armbruster is in Chicago this week to attend Customer Relationship Management Conference 2015, taking place June 3-5.

The survey results are based on an online survey in March 2015 of 2,500 American respondents. The survey's margin of error is +/- 1.96 at 95% confidence level.

About LoyaltyOne

LoyaltyOne is a global leader in the design and implementation of coalition loyalty programs, customer analytics and loyalty services for Fortune 1000 clients around the world. LoyaltyOne is an Alliance Data company. For more information, visit www.loyalty.com

About Verde Group

The Verde Group is a research consultancy that specializes in helping global organizations measure the cost of customer dissatisfaction, prioritize the issues based on ROI, and quickly fix them for improved retention and profitability. For more information, visit www.verdegroup.com





NATIONAL DISTRIBUTOR OF TOBACCO BRANDS AND ACCESSORIES

713 N. Frontier, Papillion, NE 68046 888-293-2635

www.WildHorseDist.com



Sparboe Farms is a familyowned Midwestern company that produces a comprehensive line of shell and specialty eggs as well as egg products.

We take pride in providing a superior quality product and extraordinary customer service.

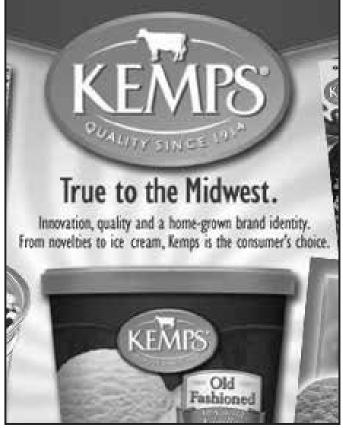
Sparboe Farms also offers a wide array of merchandising and marketing tools, including category management, promotional planning and planograms, designed to increase your sales and profitability.

Contact Sheila for more information on how Sparboe Farms can help you grow your egg category business.



Sheila Cramer Area Manager 515-783-8178































The Complete Fresh Bakery Portfolio











To The



BIMBO BAKERIES USA



Things You Need to Know

Q: tI have a customer whose husband passed away recently. He had a wine cellar with about 10 cases of wine in it and she doesn't drink. She is inquiring about returning the wine to the store to receive a cash refund. Is this legal? I want to help her out but I want to make sure we are doing what's right.

A: If the wine was purchased in Nebraska, then it has entered the system through our 3-tier system and Nebraska taxes have been paid. In this instance the customer can return the wine to you, as a license holder, and you can provide a refund.

If the wine was purchased outside the State of Nebraska it did not enter through the 3-tier system and Nebraska taxes were not paid. Nebraska residents are allowed to bring a limited number of bottles into the state that do not go through the 3-tier system. Wine purchased outside the state and brought into the state by a resident cannot be returned by a customer to a liquor license holder for a refund.

Q: We have an employee who meets all of the guidelines for a salaried employee. This employee is an exceptional employee and takes pride in his work ethic and his responsibilities to the point where he simply does not leave the store. When we calculate his actual hours worked, including the hours that exceed 40 hours per week that he voluntarily puts in, his actual hourly wage is below minimum wage. Are we required to increase his salary so that his hourly wage, after including the overtime hours he works, is above the State minimum wage?

A: Under Nebraska Revised Statute §48-1202(3) (c) employees who are employed in a bona fide executive, administrative, or professional capacity, or as a superintendent or supervisor are exempt from Nebraska's minimum wage law. A similar exemption exists in Federal law as well. See 29 U.S.C. § 213 (a) (1); and 29 U.S.C. § 213 (a) (17). Federal law defines executive, administrative, and professional employees at 29 CFR Part 541.

See http://www.ecfr.gov/cgi-bin/retrieveEC-FR?gp=&SID=e496f8085d1b5dd9d733c-51c64600047&mc=t-rue&n=pt29.3.541&r=PART&ty=HTM-L#se29.3.541_1200

If the employee does not meet the definition of either executive, administrative, or professional capacity, or as a superintendent or supervisor, then the employee would need to be paid an hourly wage that meets or exceeds the state minimum wage. If the employee does meet the definitions, you are not required to increase his or her salary.

Q: We have exceptional employees and we would like to offer them incentives when they perform exceptional service, such as catching a shoplifter or offering exceptional customer service to our customers. Are we allowed, on occasion, to reward our employees with products that we sell in our store? Would we be required to include the value of these rewards as part of their wages?

A: Yes, an employer can reward an employee with store products. Under Nebraska Revised Statute §48-1202(5) wages are defined as "all remuneration for personal services, including commissions and bonuses and the cash value of all remunerations in any medium other than cash." Catching a shoplifter or exceptional customer service would be services, so rewarding the employee with products would be considered wages. For a better explanation of what is taxable and what is non-taxable, please refer to the following IRS publication.

http://www.irs.gov/Government-Entities/Federal,-State-&-Local-Governments/De-Minimis-Fringe-Benefits

Q: Can you provide me with information on Nebraska jury duty compensation?

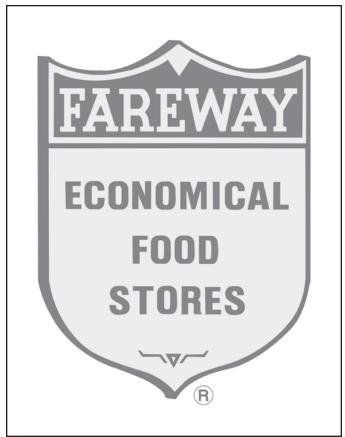
A: Nebraska law requires private employers to provide paid time off for an employee who is summoned for jury duty, as long as they receive reasonable notice. These employees should be excused from their work for any day they are required to serve as a juror. Further, an employer may not dock an employee's paid time off banks for this missed time and may not subject them to any other adverse employment action as a result of their duty. However, they may reduce the employee's pay by the amount of compensation (excluding expenses) the employee receives from the court for jury duty.

- Q: When an employee takes FMLA leave, may we require that the employee exhaust all available sick and vacation leave? The intent is to avoid additional vacation requests following a leave or a resignation and therefore cash out of any vacation accrual. A: Federal Family and Medical Leave Act (FMLA) regulations pertaining to the substitution of paid leave are found at 29 C.F.R. § 825.207. The relevant portions are set forth below.
- a. Generally, FMLA leave is unpaid leave. However, under the circumstances described in this section, FMLA permits an eligible employee to choose to substitute accrued paid leave for FMLA leave. If an employee does not choose to substitute accrued paid leave, the employer may require the employee to substitute accrued paid leave for unpaid FMLA leave. The term substitute means that the paid leave provided by the employer, and accrued pursuant to established policies of the employer, will run concurrently with the unpaid FMLA leave. Accordingly, the employee receives pay pursuant to the employer's applicable paid leave policy during the period of otherwise unpaid FMLA leave. An employee's ability to substitute accrued paid leave is determined by the terms and conditions of the employer's normal leave policy. When an employee chooses, or an employer requires, substitution of accrued paid leave, the employer must inform the employee that the employee must satisfy any procedural requirements of the paid leave policy only in connection with the receipt of such payment. See §825.300(c). If an employee does not comply with the additional requirements in an employer's paid leave policy, the employee is not entitled to substitute accrued paid leave, but the employee remains entitled to take unpaid FMLA leave. Employers may not discriminate against employees on FMLA leave in the administration of their paid leave policies.

- b. If neither the employee nor the employer elects to substitute paid leave for unpaid FMLA leave under the above conditions and circumstances, the employee will remain entitled to all the paid leave which is earned or accrued under the terms of the employer's plan.
- c. If an employee uses paid leave under circumstances which do not qualify as FMLA leave, the leave will not count against the employee's FMLA leave entitlement. For example, paid sick leave used for a medical condition which is not a serious health condition or serious injury or illness does not count against the employee's FMLA leave entitlement.
- d. Leave taken pursuant to a disability leave plan would be considered FMLA leave for a serious health condition and counted in the leave entitlement permitted under FMLA if it meets the criteria set forth in §825.112 through 825.115. In such cases, the employer may designate the leave as FMLA leave and count the leave against the employee's FMLA leave entitlement. Because leave pursuant to a disability benefit plan is not unpaid, the provision for substitution of the employee's accrued paid leave is inapplicable, and neither the employee nor the employer may require the substitution of paid leave. However, employers and employees may agree, where state law permits, to have paid leave supplement the disability plan benefits, such as in the case where a plan only provides replacement income for two-thirds of an employee's salary.

When examining an employee's need for leave under the FMLA, employers should also do a simultaneous assessment of the employer's obligations, if any, under the Americans with Disabilities Act (ADA). For additional information, see the Equal Employment Opportunity Commission's Enforcement Guidance: Reasonable Accommodation and Undue Hardship Under the Americans with Disabilities Act. Courtesy of THINKHR Workplace, which is a platform of integrated HR solutions supported by live HR experts. HR insights is brought to you by UNICO Group.







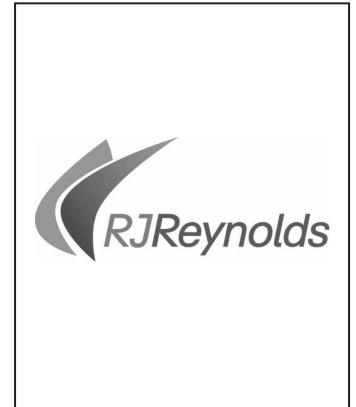




Signed. SEALED. DELIVERED.

SWEDISH MATCH









Play Your Cards Right

And Win Big with Your Customers

Decrease your odds of losing loyal customers because you don't accept their preferred form of payment.

Win big with SHAZAM's lower interchange PIN-debit transactions from more than 5.8 million SHAZAM cardholders. Contact your Merchant Services Provider today for additional information on accepting SHAZAM PIN-Debit. To learn more, email us at merchantemail@shazam.net or visit our website, www.shazam.net.



Authorization and settlement processing for:

DEBIT CARDS • CREDIT CARDS

ELECTRONIC BENEFITS TRANSFER (EBT) CARDS

GIFT CARDS - AND MORE



Proudly endorsed by NGIA Nebraska Grocery Industry Association 5935 South 56th, Suite B Lincoln, Nebraska 68516-3301

Address Service Requested

PRSRT STD U.S. POSTAGE PAID Lincoln, NE Permit No. 40



Affiliated Foods Midwest is **lighting the way** for bigger and better things. As a stable, solid and strong cooperative, **we are innovating** - creating **illuminating opportunities** to grow. AFM is lighting up **tremendous opportunities** in **technology, aggregation, coopetition,** and much more.

Join our Cooperative today! Together we can help you produce a successful and shining future.



Contact: **Wayne Hall**, VP of Business Development P: 608-347-7318 • E: whall@afmidwest.com







Tim Henderson

for being named 2014 Nebraska Grocery Industry Association Spirit of America Award Recipient.