

This manual organizes decisions, policies, and procedures made on behalf of the Microelectronics Foundation that define the activities, responsibilities, or authority of the Foundation, its Board of Trustees, committees, and staff. In the event of conflict between a statement in this manual and the Bylaws of the IMAPS Society, the provisions of the Bylaws shall prevail.

1.0 THE MICROELECTRONICS FOUNDATION

1.1 OPERATIONAL GUIDELINES

The name of the organization and its programs shall be the THE MICROELECTRONICS FOUNDATION.

The Foundation's principal office and place of business shall be the same as that of the International Microelectronics And Packaging Society (IMAPS), or in such place(s) as may be designated by the IMAPS Executive Council.

1.2 PURPOSES

The purposes of the Foundation are charitable, educational, and scientific, within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1954, as follows:

To promote the long-term development of microcircuit technology and the correlative sciences of the Microelectronics Industry within the United States and globally. In addition, to encourage and promote U.S. leadership and advances, not only in the microelectronics industry, but in emerging, advanced technologies.

The following rules shall conclusively bind the Foundation and all persons acting for or in behalf of it:

No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to its members, Trustees, or other private person, except that the Foundation shall be authorized and empowered to pay reasonable compensation and expenses for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No substantial part of the activities of the Foundation shall be the carrying on or propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the Foundation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Upon the dissolution of the Foundation, the IMAPS Executive Council shall, after paying or making provision for the payment of all the liabilities of the Foundation, dispose of all the

assets of the Foundation exclusively for the purposes of the Foundation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the IMAPS Executive Council shall determine.

The Foundation shall not adopt any practice, policy or procedure which would result in discrimination on the basis of race, religion, creed, gender or sexual orientation.

All meetings conducted on behalf of the affairs and activities of the Foundation shall be in accord with Robert's Rules of Order.

1.3 MEMBERS

The Foundation shall have no members.

1.4 GOVERNING PROCEDURES

General Powers. The IMAPS Executive Council shall establish the long-range purpose of the Foundation, and shall exercise oversight responsibility for its implementation.

1.5 COMMITTEES

Board of Trustees. The IMAPS Executive Council approve a Committee of Trustees which shall consist of 9 or less members, at least two of which are members in good standing of the IMAPS, and shall remain in good standing during their terms of office. The designation of such Board and the delegation thereto of authority shall not operate to relieve the IMAPS Executive Council of any responsibility imposed upon them by law.

General Powers. The Board of Trustees shall determine and implement the policies and objectives of the Foundation; shall be responsible for seeing that funds are obtained and made available for the maintenance and operation of the Foundation; shall have knowledge and exercise control of the financial accounts and status of the Foundation; and shall be responsible for establishment and accomplishment of a high standard for distribution of Foundation resources.

Term of Office. The term of office for each trustee shall be 3 years. The termination of each term of office will stagger such that only one third of the trustees' terms of office will expire each year. Replacement terms shall be for 3 years.

Chairperson. The Board of Trustees shall choose its Chair who shall serve for 2 years.

Vacancies. Vacancies in the Board of Trustees shall be filled in the same manner as provided in the case of the original appointment and will fill the remainder of the term

Nominations. The Board of Trustees shall nominate candidates for the Trustees and submit these nominees for approval to IMAPS Executive Council.

Removal from Office. The Board of Trustees has the right to recommend the removal of any board member by two thirds majority. The recommendation will then be submitted to EC. The IMAPS Executive Council reserves the right to remove any member from the Board of Trustees per the process for removal from office outlined in the IMAPS Bylaws, Article V, section 5.0.

Other Committees. The Board of Trustees may authorize the formation of a special committee(s). The Chair(s) of such committee(s) shall be appointed by the Chair of the Trustees with the advice and consent of the Board of Trustees.

Quorum. Unless otherwise provided upon the formation of such Committee(s) by the Board of Trustees, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Rules. Each committee may adopt rules for its own government not inconsistent with this document or with rules adopted by the Board of Trustees.

2.0 Foundation Programs

2.1 To attract the best and brightest to the Microelectronics industry by making Microelectronics a visibly relevant and exciting field of endeavor.

2.1.1. Industry success stories on innovation in Microelectronics written and published to attract the best and brightest from College graduates, under graduates, and high schools. Emphasis is on industry's contributions and on targeted areas suggested by industry for best program effectiveness.

2.1.2 Building programs for local teams focused around microelectronic industry locations and local personal for industry days modeling new microelectronic innovations.

2.2 Developing Future Industry Leaders

2.2.1 Train the teachers of the Gifted and Talented with emphasis on increasing exposure to and appreciation of microelectronics, blended classroom learning strategies, plus web-based learning tools, and teacher convention presentations.

2.2.2 University intern work or a program to achieve goals of greater awareness of microelectronics and collaboration with corporate donors for motivating and selecting promising talent.

2.2.3 High school career day including information on microelectronic career/jobs direction given by retired executives. The program may also include some Junior Achievement involvement.

2.2.4 High school curriculum or enhancement to the curriculum. Comprehensive, integrated view of what comprises microelectronics, of how individuals contribute, and of their societal impact.

2.3 Program #3 –Named Awards

2.3.1 **Awards** conferred annually to encourage the study of theory and application of microelectronics and microelectronic packaging by university and college students and practitioners. In nearly all cases, the company or group of contributors that fund the award will name the award, such as the Sidney J. Stein Award for Graduate Studies or the Motorola Innovation & Design Competition.

2.3.2 **Scholarships** conferred annually to encourage the study of Microelectronics and Microelectronic packaging. In nearly all cases the company or group of contributors that fund the award will name the award. Multiple year scholarship funding the innovators Industry needs will provide a financial help through college into graduate school.

2.4 Program_ Other programs as identified, developed an approved by the Board of Trustees.

3.0 EXECUTIVE DIRECTOR

Executive Director. There may be selected by the Board of Trustees as an employee of the Foundation, an Executive Director who shall direct and administer the affairs of the Foundation, subject to the supervision of the Board of Trustees.

The Executive Director, if applicable, shall attend all meetings of the IMAPS Executive Council and the Board of Trustees in an ex officio capacity.

In the absence of an Executive Director, the chairperson of the Board of Trustees shall act as the Executive Director until such a position is filled.

4.0 DEPOSITS AND FUNDS

Deposits. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the IMAPS Executive Council may select.

Gifts. The Board of Trustees of the Foundation may accept on behalf of the Foundation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Foundation.

5.0 BOOKS AND RECORDS

The IMAPS Executive Council shall keep correct and complete books and records of Foundation accounts and shall also keep minutes of the proceedings of its IMAPS Executive Council meetings. The Foundation shall be responsible for maintaining minutes of meetings of its Board of Trustees.

6.0 INDEMNIFICATION

The Foundation shall indemnify all Trustees of the Foundation to the full extent permitted and shall be entitled to purchase insurance for such indemnification of Trustees to the full extent as determined from time to time by the IMAPS Executive Council.

7.0 FINANCES

The Executive Director manages the finances of the Foundation; has the responsibility for the preparation and submittal to the Budget Committee for consideration an annual budget. The Executive Director is also responsible for providing long-range forecasts of needs, has the responsibility for ensuring the Foundation is operating within the approved annual budget; and keeps the Board of Trustees apprised of budget status.

The Executive Director submits the annual budget to the Board of Trustees for approval. The Board of Trustees authorizes the Executive Director to operate within and achieve the annual budget goals.

7.1 CHART OF ACCOUNTS

A uniform Chart of Accounts shall be used for accounting purposes as well as budget preparation. The Chart of Accounts shall be developed and/or revised jointly by the Executive Director and the Treasurer of the Foundation.

7.2 QUARTERLY STATEMENTS

The Executive Director shall send out quarterly financial summaries to all members of the Board of Trustees and the officers of the IMAPS Foundation.

7.3. FOUNDATION BUDGET

7.3.1 BUDGET PREPARATION AND DISTRIBUTION

The budget for the Foundation shall be prepared and approved in accordance with Article XI Section 2 of the IMAPS Society Bylaws. Copies of the budget as approved shall be distributed to the Board of Trustees.

7.3.2 MINIMUM FUND BALANCE

The Minimum Microelectronics Reserve Fund Balance shall be at least \$1,000,000. The minimum fund balance is to be composed of cash and marketable securities that are invested in accord with Section 7.5 of the Foundation Policies and Procedures. If the fund balance falls below the minimum, the Foundation shall make every effort to raise at least \$200,000 per year in new donations until the Minimum Reserve Fund Balance is achieved.

7.3.3 BUDGET REVIEW

The Budget Committee shall review the year-end financial performance for the previous fiscal year and the first-quarter performance of the current fiscal year at the time of the second meeting of the fiscal year. The Committee shall review the first half results of the current fiscal year at the time of the third meeting of that fiscal year. The Chair of the Budget Committee shall prepare the results showing the current fiscal year plan, forecast, and actual result, for presentation to the Board of Trustees.

7.4 AUDIT

The financial transactions of the Foundation shall be audited annually by an independent accounting firm. An agency of record of the Foundation is to be selected by active Foundation Budget Committee with the approval of the Board of Trustees. Such audit shall be performed as soon as physically possible after the end of the fiscal year in question. The audit should be completed by at least the first quarter of the following fiscal year and presented to the Board of Trustees for review at the first Executive Council meeting following completion of the audit.

7.4.1 AUDIT COMMITTEE

The standing Audit Committee is comprised of the active Foundation Budget Committee.

The responsibilities of the audit committee would include:

- Evaluating and selecting the auditor.
- Meeting with the auditor before the commencement of the audit to discuss any concerns that should be addressed during fieldwork.
- Meeting with the auditor at the conclusion of the audit to discuss any findings and management letter suggestions.
- Evaluating the appropriateness of corporate culture, ethics, personnel, systems, and accounting policies and practices.
- Determining that the organization has an effective and efficient system of internal controls that safeguard assets, prevent and detect fraudulent activities, and provide timely and accurate financial reporting.

7.5 INVESTMENTS

The Chairman of the Budget Committee, with the assistance of the Finance Committee, shall be responsible for developing and maintaining a program for the investment of the Foundation's capital. All minimum fund balance investments shall only be invested in government guaranteed securities. The Chairman of the Budget Committee and the Executive Director shall be empowered to open and control any brokerage or other accounts or depositories for valuables needed to effectuate investment plans. All new investment instruments must have prior approval of the Board of Trustees.

The first priority of the Finance Committee is the preservation of the Foundation funds.

The second priority is the maximization of the return on funds, being consistent with the first priority.

7.6 BONDING

The Foundation's officers, staff, and any appointed official whose duties are associated with the administration or handling of Foundation funds shall be covered by an instrument of bond for the protection of the Foundation.

7.7 DOCUMENT EXECUTION AND AUTHORIZED SIGNATORIES

The Executive Director is authorized to execute on behalf of the Foundation all legal documents in the normal course of Foundation business, not exceeding \$10,000 for any one

obligation, except where otherwise specifically outlined in the Policy and Procedure Manual or the By-laws of the Foundation.

Staff members are authorized to execute all documents up to \$1,000 in total obligation with the approval of the Executive Director or in the Executive Directors absence the Board of Trustees.

The Executive Director, Chair of the Board of Trustees, and two staff members designated by the Executive Director, with the concurrence of the Chair of the Budget Committee, shall be the only authorized signatories. Two signatures are required of which only one can be a designated staff member for checks and bank drafts.

7.8 EXPENSE REIMBURSEMENT

All non travel expenses for Foundation-sponsored activities must be approved in advance by the Executive Director (or his designee). Reasonable expenses incurred by an Foundation member, a Committee/Taskforce member, and/or other volunteers as approved by the Executive Director may be reimbursed subject to the following conditions: (1) the expense must be incurred as a result of a Foundation planned and sponsored activity, (2) the expense was approved in advance and follows budgetary guidelines, and (3) a detailed receipt is provided for items in excess of \$25.00 at the time reimbursement is sought. For travel expenses see section 7.11.

7.9 FISCAL YEAR

The Fiscal Year shall be defined as starting on July 1st of the current year and extending through June 30th of the following year.

7.10 TRAVEL AUTHORIZATION

All travel on behalf of the Foundation for which reimbursement will be sought shall require prior approval. Volunteer travel requests shall be submitted in writing (letter, FAX or email) and approved 30 days prior to commencement of travel to permit verification by the Treasurer and Executive Director that the budget supports said travel request and the trip supports an approved IMAPS purpose. The travel request must contain the IMAPS purpose of the travel, the duration of the stay, and an estimate of the cost. Any travel not pre-approved shall be considered personal and not reimbursable. Travel requests from the Executive Director shall be approved by the President with concurrence from the Treasurer. All travel arrangements to be handled by IMAPS headquarters unless otherwise pre-approved.

The Executive Director, with concurrence from the Treasurer, is authorized to approve all travel requests for expenses reimbursed by IMAPS. If budget is not available, then the individual requesting the travel must submit a detailed proposal to the Executive Committee that describes the purpose and necessity of the travel. The Executive Committee approves or disapproves the travel request. If an Executive Committee member is requesting travel authorization, that member must abstain from the Committee vote.

The Executive Director is authorized to approve coach or economy class domestic and international air travel requests for staff and IMAPS volunteers. For international flights,

business class travel may be approved as appropriate, provided sufficient funds are available. Advance arrangements shall be used whenever possible to obtain the best fares and rates. However, if the best rates are not obtained by delaying past the 30 day advance purchase date, IMAPS will not be responsible to the volunteer for the difference, should the price be higher. On exception, travel plans may be made within the 30-day window, but will require approval of the Treasurer and one other member of the Executive Committee other than the person making the request.

7.11 TRAVEL EXPENSES

Travel expenses incurred by a Foundation Board of Trustees member, a Committee/Taskforce member, a Workshop/Conference/Symposia Chair, and/or other volunteers as approved by the Executive Director may be reimbursed subject to the following conditions: (1) the expense must be incurred as a result of an IMAPS planned and sponsored business, (2) the expense was approved in advance and follows budgetary guidelines and adheres to reimbursement policies set forth below, and (3) a detailed receipt is provided for approved travel items in excess of \$25.00 at the time reimbursement is sought.

The Executive Director is authorized to approve all Travel Expense Statements except for his/her own, which shall be approved by the Chair of the Board of Trustees.

7.12 DOCUMENT RETENTION AND DESTRUCTION

Business documents create an important history of the Organization’s transactions with customers, vendors and creditors. These records should be available to you to resolve questions should they arise in the future. The records should be easily accessible, retrievable and readily purged according to the below recommended timetable.

In accordance with Section 802 of the Sarbanes-Oxley Act, it is an obstruction of justice offense to destroy, falsify, or alter any records or documents in order to impede a federal investigation. If any employee of the Foundation is asked to falsify, destroy, or alter any records, he should immediately inform the Executive Director or the Chair of the Board of Trustees, if the Executive Director is involved in the offense.

Below is the Foundation’s record retention policy:

Description	Retention Period
Accident reports and claims (settled cases)	7 years
Accounts payable ledgers and schedules	7 years
Accounts receivable ledgers and schedules	7 years
Audit reports of accountants	Permanently
Bank reconciliations	2 years
Capital stock and bond records; ledgers, transfer registers, stubs showing issues, record of interest coupons, options, etc.	Permanently
Cash books	Permanently
Chart of accounts	Permanently
Checks (canceled but see exception below)	7 years
Checks (canceled for important payments, i.e., taxes, purchases of property, special	Permanently

contracts, etc. (checks should be filed with the papers pertaining to the underlying transaction)	
Contracts and leases (expired)	7 years
Contracts and leases still in effect	Permanently
Correspondence (routine) with members, customers, or vendors	1 year
Correspondence (general)	3 years
Correspondence (legal and important matters only)	Permanently
Deeds, mortgages, and bill of sale	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	2 years
Employee personnel records (after termination)	3 years
Employment applications	3 years
Expense analyses and expense distribution schedules	7 years
Financial statements (end-of-year, other months optional)	Permanently
General and private ledgers (and end-of-year trial balances)	Permanently
Insurance policies (expired)	3 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports (in some situations, longer retention periods may be desirable)	3 years
Internal reports (miscellaneous)	3 years
Inventories of products, materials, and supplies	7 years
Invoices to members and customers	7 years
Invoices from vendors	7 years
Journals	Permanently
Membership applications	3 years
Minutes of directors and committees, including by-laws and charter	Permanently
Notes receivable ledgers and schedules	7 years
Payroll records and summaries, including payments to pensioners	7 years
Petty cash vouchers	3 years
Property appraisals by outside appraisers	Permanently
Property records-including costs, depreciation reserves, end-of-year trial balances, depreciation schedules, blueprints and plans	Permanently
Purchase orders (except purchasing department copy)	2 years
Sales records	7 years
Savings bond registration records of employees	3 years
Scrap and salvage records (inventories, sales, etc.)	7 years
Stock and bond certificates (canceled)	7 years
Subsidiary ledgers	7 years
Tax returns and worksheets, revenue agents' reports and other documents relating to determination of income tax liability	Permanently
Time books	7 years
Trade mark registrations	Permanently
Vouchers for payment to vendors, employees, etc. (includes allowances and reimbursement of employees, officers, etc., for travel and entertainment expenses)	7 years

7.13 WHISTLE BLOWER POLICY

This Whistleblower Policy (“the Policy”) encourages employees to report to the Executive Director (or if necessary the Foundation Chair of the Board of Trustees if the activity involves the Executive Director) any known or suspected illegal activities that they believe have been conducted by an employee in connection with finances or any other operational aspect of the Foundation. This Policy prevents, by law, anyone in the Foundation from retaliating or

punishing an employee for reporting conduct that the employee reasonably believes to be illegal or improper.

The Policy establishes procedures for: a.) the receipt, retention, and treatment of complaints received by the Foundation regarding accounting, internal accounting controls, or auditing matters; and b.) the submission by employees of the Foundation or others, on a confidential and anonymous basis, of good faith concerns regarding questionable accounting or auditing matters.

In accordance with the above the Foundation has adopted the following procedures:

1. The Executive Director shall promptly forward to the Board of Trustees any complaints that he/she has received from employees (or senior management) regarding financial statement disclosures, accounting, internal accounting or disclosure controls, auditing matters, disclosure violations, or violations of the Foundation's Personnel Policies Manual or other policy and procedure memos.
2. Any employee of the Foundation may choose to submit, on a confidential, anonymous basis if the employee so desires, any good faith concerns regarding any of the matters detailed in paragraph 1 directly to the Foundation Chair of the Board of Trustees . All such concerns shall be set forth in writing and forwarded in a sealed envelope to the Foundation President. The envelope should be labeled with a legend such as: "To be opened by Chair of the Board of Trustees (current Chair's name) only. Being submitted pursuant to the Whistleblower Policy adopted by the Board of Trustees." If an employee would like to discuss any matter with any member of the Board of Trustees, the employee should indicate this in the submission and include a telephone number (or other method of contact) at which he or she might be contacted if the Board of Trustees deems it appropriate.
3. Following the receipt of any complaints submitted hereunder, the Board of Trustees will investigate each matter so reported and take corrective and disciplinary actions, if appropriate, which may include, alone or in combination, a warning or letter of reprimand, demotion, loss of compensation, suspension without pay, or termination of employment.
4. The Board of Trustees may enlist committee members, employees of the Foundation and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints. In conducting any investigation, the Board of Trustees shall use reasonable efforts to protect the confidentiality and anonymity of the reporting employee.
5. The Foundation does not permit retaliation of any kind against employees for complaints submitted hereunder that are made in good faith. Additionally, no employee shall be adversely affected because the employee refuses to carry out a directive which, in fact, constitutes corporate fraud, or is a violation of state or federal law or the Foundation's Personnel Policies Manual.
6. The Board of Trustees shall retain as part of its records any such complaints or concerns for a period of no less than seven (7) years.

7. If an employee is not comfortable reporting any of the matters detailed in paragraph 1 to the Executive Director or the Chair of the Board of Trustees, then the employee may report concerns to the Foundation's outside legal counsel using contact information specified below. Outside legal counsel shall keep a record of all such reports and make monthly reports of the same to the Chair of the Board of Trustees in any month in which a complaint is received. The Chair of the Board of Trustees shall immediately notify the reporting employee that the complaint has been received and begin the procedures outlined above.

Outside legal counsel:
Hugh K Webster, Webster, Chamberlain & Bean
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8.0 DISSOLUTION

The Foundation may be dissolved by unanimous vote of the IMAPS Executive Council.