

# Society of Iranian-American Professionals (SIAP)

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## *SIAP Working Group Report*

*By Masoud Moghtaderi-Zadeh,  
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### **1. Introduction**

The Society of Iranian Professionals (SIP) was established in 1982 by a group of young professionals and recent university graduates in various disciplines. The main objectives of SIP were to create an environment for Iranian professionals to network and to support them succeed in business.

The first meeting of SIP was held in June 1982 and on November 1<sup>st</sup>, 1982 SIP was registered as a California Corporation.

On September 9<sup>th</sup>, 1986, SIP 1982 bylaws were replaced by the current bylaws governing the organization ([http://www.anjoman.org/PDF/sip\\_bylaws.pdf](http://www.anjoman.org/PDF/sip_bylaws.pdf)). That means that over the past 22 years and since 1986 the bylaws of the organization have not been changed.

Due to various reasons, including the need for fully tax exempt donation, various recent SIP Boards embarked in efforts to update SIP bylaws and convert SIP from Internal Revenues Code Section 501(c)(6) corporation to Internal Revenues Code Section 501 (c)(3) corporation. There are basically two options to achieve this goal:

- (1) Amending the existing SIP bylaws to become a 501 (c) (3) nonprofit organization
- (2) Establishing, from scratch, a new 501 (c) (3) nonprofit organization and folding SIP into the new organization

These two options were reviewed by the last two SIP Boards of Directors (BODs), and after consulting with lawyers and others who had done such an undertaking, it was decided that the second option was a better choice.. The first option proved to be very difficult, time consuming and more costly and required a solid documentation of all financial transactions of SIP for the last several years. After much effort, it became clear that the best and most efficient way to reach the tax exempt status was to follow the second option, i.e., to establish a new organization from scratch as an Internal Revenue Code Section 501 (c) (3). Once the new organization is in place, upon approval by the SIP members, SIP will be folded into the new organization.

In doing that, utmost care and considerations have been given to have the new organization as fundamentally close to SIP as possible, yet at the same time make changes to the bylaws to improve SIP operations and the overall value of the organization to the Community.

As a first step toward that goal, last SIP Board proposed to name the new organization as “Society of Iranian-American Professionals (SIAP)”. This naming proposal was presented to SIP members and was approved during November-December of 2006.. There are two main reasons to choose this name: (1) it does not limit membership only to Iranian descents, and (2) the name is yet very close to SIP, which eventually will allow the new organization to continue using SIP abbreviation for itself, once SIP is folded into SIAP and if it chooses to do so. For now until declared otherwise, we shall use Society of Iranian-American Professionals and its abbreviation SIAP for the new organization.

## 2. SIAP Working Group

In December 2007 the new and current SIP Board took office. The new Board decided to continue the effort to achieve the fully exempt nonprofit organization status by forming a Working Group dedicated to establishing the new organization SIAP with the ultimate goal of folding of SIP into SIAP.

### 2.1. Working Group Members

In January 2008, the current SIP Board of Directors invited Dr. Masoud Moghtaderi-Zadeh - a SIP Member, active volunteer, past Honorary Director, and past President at SIP - to join them to form a Working Group and help with the effort to establish the new organization SIAP. On Saturday, February 2<sup>nd</sup>, 2008, the SIAP Working Group (WG) officially started its operation.

Soon after WG started its operation, it realized that it needs to bring on new members with new skill sets and experience in writing bylaws for and establishing 501(c)(3) organizations. On February 19<sup>th</sup>, 2008 Ms. Sara Hojjat - a SIP Member and Appointed Officer - and Ms. Yeganeh Mashayekh - a SIP Member and active volunteer with much needed experience in establishing nonprofit organizations - accepted the invitation and joined the group.

The SIAP Working Group was further expanded on May 13, 2008 by inviting the current elected and appointed SIP Officers, upon which, all except one accepted the invitation and joined the group. Currently, the following individuals form the SIAP Working Group:

1. Mr. Moe Amouzgar
2. Mr. Mike Bakhshi, *Vice Chair*
3. Dr. Mansour Fardanesh
4. Ms. Sara Hojjat, *Secretary*
5. Mr. Masoud Keshmiri
6. Ms. Yeganeh Mashayekh
7. Mr. Reza Mazaheri
8. Ms. Mitra Mehrban
9. Dr. Masoud Moghtaderi-Zadeh, *Chair*
10. Mr. Shahriar Motie
11. Mr. Ahmad Tehrani
12. Ms. Foroogh Ziaei

For a brief introduction of each of the above individuals, please read their short bios [http://www.anjoman.org/SIAP\\_BIOS.html](http://www.anjoman.org/SIAP_BIOS.html)

To operate its effort efficiently, the group elected three of its members as *SIAP Working Group Chair*, *Vice Chair*, and *Secretary*, as indicated above. Each and every member of the group has equal rights within SIAP Working Group.

## **2.2.Mission**

The SIAP Working Group mission is to establish SIAP as a 501(c)(3) nonprofit organization by:

- (1) Drafting a complete working bylaws for review by lawyers and SIP Members
- (2) Developing and filing of Articles of Incorporation (AIO) for SIAP
- (3) Filing of a request for IRS Tax Identification, also known as Employer Identification Number (EIN)
- (4) Filing for 501 (c)(3) status

## **2.3.WG Meetings**

As mentioned earlier, WG started its work on Saturday, February 2<sup>nd</sup>, 2008. Since then, it has been holding working meetings on a weekly basis, except for three weeks. That is about a total of 33 meetings through September 29, 2008. Typically, weekly meetings would last about 3 to 4 hours. Assuming that in average 6 members attended the meetings; that is a about a total of more than 500 person-hours, just for attending the weekly meetings! This is equivalent to one person working full time for three months! Various members also have been working many extra hours on behalf of WG in addition to attending the meetings. Needless to say not all the members have put equal effort into SIAP WG affairs. Regardless, this minimum 500 hours of work put into this volunteer effort to establish SIAP is still impressive.

As mentioned before, every SIAP WG member has equal rights and the meetings were held mostly per Robert's Rules of Order.

## **2.4.WG Accomplishments**

### **2.4.1. Developing and Writing of SIAP Bylaws**

WG started with a preliminary incomplete draft of bylaws that had been put together previously by combining the existing SIP bylaws and some excerpts from the bylaws of other similar organizations. With extensive help from Yeganeh Mashayekh, a complete preliminary draft of SIAP Bylaws was rewritten and put together for the Working Group to use as the initial starting point. Most of the work of WG consisted of going through this initial version article-by-article, section-by-section, line-by-line and sometimes even word-by-word, rewriting the entire document and completing a working *DRAFT* of SIAP Bylaws.

This work has been completed and the DRAFT SIAP Bylaws [http://www.anjoman.org/PDF/SIAP\\_Bylaws\\_Draft.pdf](http://www.anjoman.org/PDF/SIAP_Bylaws_Draft.pdf) is now ready for review by lawyers and eventual filing for 501 (c) (3) status. A synopsis of these Bylaws is given below for review and comment by SIP members and Community and to solicit their input.

### **2.4.2. Developing and Filing of SIAP Articles of Incorporation**

SIAP WG also has worked on developing and filling of SIAP Articles of Incorporation. In order to achieve this, WG needed to do the following:

- (1) Write the Articles of Incorporation
- (2) Get a physical address
- (3) Form an initial Board of Directors for SIAP
- (4) File Articles of Incorporation

It is with great pleasure to report that all of the above 4 tasks have been completed. On September 3, 2008, Society of Iranian-American Professionals was incorporated and a Certification of Articles of Incorporation for SIAP was obtained from the Office of The Secretary of State of California. The Initial Board of Directors of SIAP is:

- (1) Mr. Moe Amouzgar
- (2) Mr. Mike Bakhshi
- (3) Dr. Mansour Fardanesh
- (4) Ms. Sara Hojjat
- (5) Mr. Masoud Keshmiri
- (6) Mr. Reza Mazaheri
- (7) Ms. Mitra Mehrban
- (8) Mr. Shahriar Motie
- (9) Mr. Ahmad Tehrani
- (10) Ms. Mehri Tomari
- (11) Ms. Foroogh Ziaei

The above SIAP Directors are the same as the current SIP Board of Directors plus elected and appointed SIP Officers. It should be mentioned that Ms. Yeganeh Mashayekh carried on the main tasks in this effort including writing of the Article of Incorporation and has kindly accepted and acted as the Agent of SIAP to do the filling of the Articles of Incorporation. Again this task is complete.

#### **2.4.3. Requesting IRS Tax ID**

Led by Ms. Yeganeh Mashayekh and supported by Mr. Mike Bakhshi, we filed a request for IRS Tax ID, otherwise known as Employer Identification Number (EIN). On September 23, 2008 IRS provided an EIN to SIAP. This task is also complete

#### **2.4.4. Filing for 501 (c) (3) Status**

The work has started on filing for 501 (c) (3) status. After long discussions and considering pros and cons of various options, including using do-it-yourself website services, SIAP has identified a reasonably experienced firm to work with to this filing as the final step of establishing SIAP. As part of this filing process, lawyers from this firm will first review the DRAFT bylaws and will notify SIAP, of any modifications needed in the bylaws.

#### **2.4.5. Identification of Immediate Tasks for Initial SIAP Board**

Throughout its work over the last several months, SIAP Working Group has identified the following main tasks to be performed immediately and by the initial SIAP Board:

- (1) Developing, drafting and approving of two sets of Codes of Conduct and Ethics for SIAP Membership and SIAP Board of Directors
- (2) Developing a Handbook of "SIAP Policies and Procedures"

- (3) Soliciting reviews of DRAFT SIAP Bylaws by SIP Members, Community and possibly an Advisory Board and incorporating the generated comments, suggestions, and input into SIAP Bylaws.
- (4) Developing and drafting "Conflict of Interest Policy"
- (5) Developing and drafting SIAP "Privacy Policy"
- (6) Formation of various Committees for operation of SIAP
- (7) Initiating and supporting folding of SIP into SIAP
- (8) Initial "Special" Election

### **3. SIAP Working Group Financing**

Throughout its work SIAP Working Group followed the strict rule of financially self supporting by its participating members to hold its meetings and take care of incidental costs. A financial fire wall was built between SIP and SIAP to make sure no part of SIAP Working Group activities and the costs associated with SIAP establishment are mixed. Simply said, no funding from SIP has been received, used, or borrowed for SIAP WG and SIAP establishment. As mentioned elsewhere, until SIP Membership vote to fold SIP into SIAP, the operations of these two entities are kept separately, even though many of the individuals involved work for both organizations.

For establishing SIAP, fillings of AOI, request for Tax ID, and filling for 501(c)(3) fees and other related costs, Mr. Reza Mazaheri has graciously lent \$1000.00 to SIAP. This is a no-interest loan and will be paid back to Mr. Mazaheri, upon SIAP full operation and collection of sufficient funds to do so. This action of Mr. Mazaheri is greatly appreciated.

### **4. Dissolving of SIAP Working Group**

As mentioned in the above sections on SIAP Working Group mission statement and accomplishments, WG has achieved its mission and will be dissolved upon contracting with the firm for filling for 501(c)(3) status. WG hopes to sign the contract before the end of October 2008.

As it is clear from the list of members of SIAP WG and SIAP Initial Board of Directors, for the most part the individuals involved in both organizations are the same. Ms. Yeganeh Mashayekh and Dr. Masoud Moghtaderi-Zadeh of the 12-member SIAP WG will be replaced by Ms. Mehri Tomari to form the 11-member Initial SIAP Board of Directors. Because of this huge overlap, it is expected that the initial SIAP Board of Directors will continue its hard and diligent work to complete the tasks outlined above and operate SIAP to bring it to the first "Special" SIAP Election.

### **5. Synopsis of SIAP Bylaws**

A summary of most important aspects of SIAP Bylaws is given here. When applicable, these are compared with current SIP Bylaws. It should be noted that the bylaws are still in DRAFT stage and subject to change. The changes may arise from input by:

- (1) SIP Members
- (2) Lawyers reviewing bylaws for filing for 501 (c) (3) status
- (3) Community at large
- (4) Special Advisory Board (if it is formed later)

## 5.1.SIAP Bylaws Document

There are a total of 15 Articles plus two parts “Written Consent of Directors Adopting Bylaws” and Certificate. The Articles are:

ARTICLE 1 - DEFINITIONS

ARTICLE 2 - OFFICES

ARTICLE 3 - PURPOSES

ARTICLE 4 - BOARD MEMBERS

ARTICLE 5 - OFFICERS

ARTICLE 6 - COMMITTEES

ARTICLE 7 - EXECUTION OF INSTRUMENTS, DEPOSITS, AND FUNDS

ARTICLE 8 - CORPORATE RECORDS, REPORTS, AND SEAL

ARTICLE 9 - FISCAL YEAR

ARTICLE 10 - CONFLICT OF INTEREST AND COMPENSATION APPROVAL POLICIES

ARTICLE 11 - AMENDMENT OF BYLAWS

ARTICLE 12 - AMENDMENT OF ARTICLES OF INCORPORATION

ARTICLE 13 - PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

ARTICLE 14 - MEMBERS

ARTICLE 15 - MEETINGS OF MEMBERS

SIAP bylaws are much longer and more extensive with currently 12,769 words in 29 pages in MS Word, whereas SIP bylaws have 10 Articles with 3,063 words and 9 pages in PDF format. The long document prompted the author to write this synopsis.

## 5.2.SIAP Objectives

The primary objectives of SIAP are to.

- Provide an environment for networking and communication among professionals in all disciplines
- Support Iranian-Americans in achieving and maintaining excellence
- Stimulate the interest of students towards industry
- Organize cultural/educational programs
- Promote liaisons with various cultural, professional, and scientific societies

There are several other legally defined objectives and purposes for SIAP given in the bylaws which must be strictly followed to maintain its fully exempt status. Please see the bylaws for details

[http://www.anjoman.org/PDF/SIAP\\_Bylaws\\_Draft.pdf](http://www.anjoman.org/PDF/SIAP_Bylaws_Draft.pdf) .

Currently, SIP bylaws summarizes SIP objectives as

- Promoting the improvement of business conditions of Iranian Professionals working in the industry and

- Providing the members the opportunity to gather and thus foster the development of their career, to expand their professional knowledge and receive education from informational presentations.

As it is seen here the objectives of SIAP essentially cover and expand the objectives of SIP.

### 5.3. Nonprofit Status

SIAP is a nonprofit corporation organized under the California Nonprofit Corporation Act for all lawful purposes according to said Act. Whereas SIP is a non-profit mutual benefit corporation organized under the Non-profit Mutual Benefit Corporation Law.

Furthermore, SIAP is an exempt organization under Internal Revenues Code Section 501 (c)(3), whereas SIP is an organization under Internal Revenue Code Section 501(c)(6) and Section 23701(e) of the Revenue and Taxation Code of State of California.

In a nutshell, this means that donations to SIAP are tax exempt, i.e., the donors should be able to subtract their donations from their taxable income, whereas this can not be done with donations to current SIP organization.

This is the single most important reason why SIAP has been created with the intention to fold SIP into SIAP.

### 5.4. Principal Office

Both SIAP and SIP organizations principal offices for the transaction of their business are located in Santa Clara County, California.

### 5.5. Board of Directors

SIAP no longer has two separate bodies to govern and operate its affairs. It has an 11-member elected Board of Directors which operates the organization day-to-day business and long-term direction and growth. The initial 11-member board is not elected per se by SIAP members, since SIAP does not have members yet. The initial SIAP Board is made of the current SIP four (4) Board members, one (1) President, and four (4) elected Officers, and two (2) appointed Officers, thus a total of 11 members.

Incorporation of the separate traditional Board of Directors and Officers into ONE body, which both **governs** the organization and **operates** all its affairs, is based on the last several years of experience and issues running SIP. At least over the last 8 years, there have been many disagreements among SIP Board Members, Presidents, and/or Officers. Of course sometimes these disagreements were among the members of the Board. One reason was that the definitions of the duties among Board, President and Officers were not always clear, and subject to various, sometimes opposing, interpretations. Formation of ONE body for government and operation should reduce problems.

The members of the entire SIAP Board of Directors not only ultimately govern the organization, but shall also individually form various Committees to run the organization. Other details of SIAP Board are:

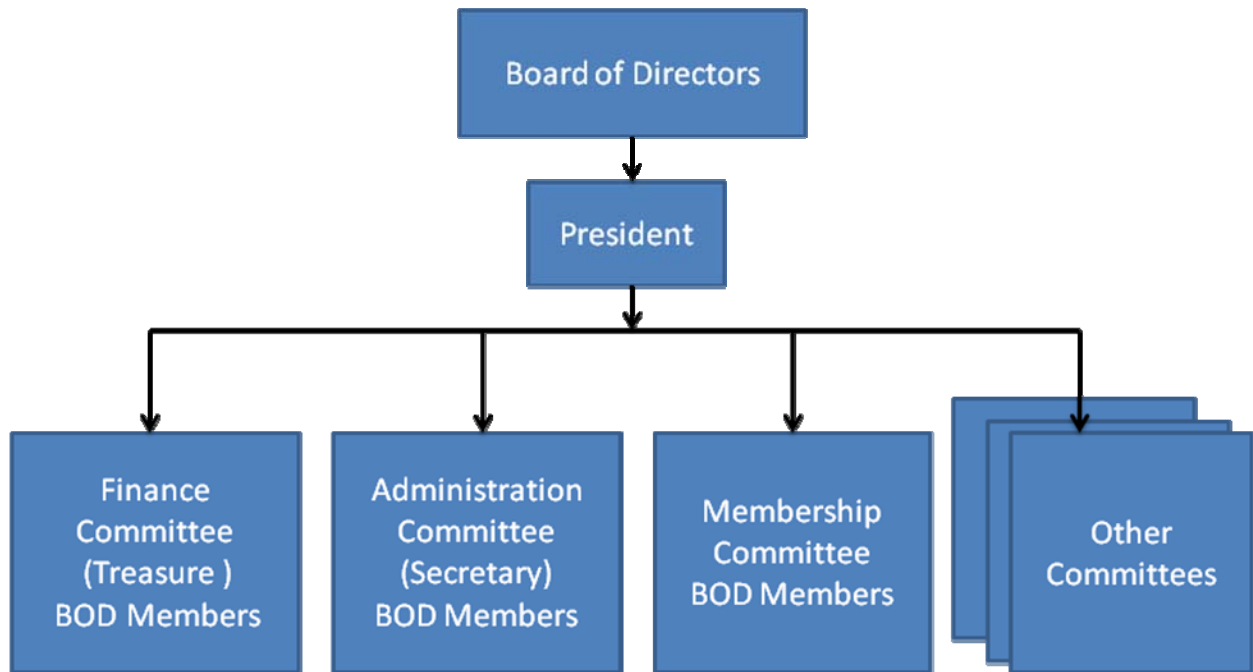
- Any current member of SIAP with at least one year of membership at the time of election is eligible to serve as a member of the Board of Directors. Board members shall be over the age of 18.

- One of elected Board members is also directly elected by SIAP Membership as the President
- One of elected Board members is also directly elected by SIAP Membership as the Vice President
- Each elected Board Member will serve a term of 2 years, with a maximum of 3 terms allowed
- President can only serve two consecutive terms. For other board members three terms can be consecutive
- The entire BOD has the ultimate power
- President has all the executive authorities and responsibilities and reporting to BOD
- Members of the BOD will work in various Committees which operate under and report to President
- Volunteers can be participating in various Committees
- Regular board meetings at least once a month. These meetings are open to Membership.
- Quarterly meetings which are Regular meetings dedicated to provide status report to Membership.
- Annual meeting which is the last Quarterly meeting and includes a complete yearly report to Membership.

Once SIAP is in operation and new members are added via directly becoming members of SIAP for the first time or transferring from SIP and as soon as there are more than 50 SIAP members, the initial BOD need to plan a "Special" Election for BOD, President, and Vice President . This will be "Special", because SIAP will be new and some of the requirements for running for various positions will need to be relaxed. Thereafter, all the requirements in the bylaws shall be satisfied in the following elections.

It shall be noted that the first SIAP Election would necessary be a "Special" Election. That is the general requirements for running for office might be modified, since members may not satisfy the requirements for running for the office.

Figure below demonstrate how the Board has ultimate power, yet individual Board members work in Committees which report to the President.



## 5.6. Removal of Member of Board

Board members may be removed without cause by vote of a simple majority of the Membership.

## 5.7. Duties of President

The president shall be the chief executive officer of the corporation and shall, subject to the control of the board of directors, supervise and control the affairs of the corporation and the activities of the corporation. President shall nominate Secretary and Treasurer for the corporation. Board shall then appoint them by a simple majority vote.

## 5.8. Membership

There are only three classes of members:

- Professional Members
- Student Members
- Affiliate Members

## 5.9. Qualifications and Rights of Members

The following is a summary of members' qualifications and rights. For more details, please review SIAP Bylaws [http://www.anjoman.org/PDF/SIAP Bylaws Draft.pdf](http://www.anjoman.org/PDF/SIAP_Bylaws_Draft.pdf).

- Professional Member is a member with a degree in higher education and/or professional background and experience.
- Student Member is a full time registered student in a higher education institution.
- Affiliate Member is a person who does not necessarily belong to either of the above categories, who otherwise has an interest in the corporation's mission and/or in promoting the advancement of the Society.

- All members have the right to vote and elect members of the Board
- Only Professional and Student members can be elected to Board

## 6. Need Your Participation and Input

A membership driven democratic organization serving the Community can get as good as its Membership and Community participation! The more you participate the better it can get. It is as simple as that!

The participation is crucial in all stages of an organization, from establishment and writing of its bylaws, policies, and procedures, to when the organization is fully operational. However, it is this stage that is the most crucial. It is when the bylaws are written and followed by policies and procedures. Your input is essential to the success of the organization to serve community to succeed!

We invite you to review the synopsis given here and copies of the DRAFT SIAP bylaws as soon as you can and provide your written input to this process. Constructive criticism is welcome! Please send your comments, ideas, and input directly to the President of SIP at [president@anjoman.org](mailto:president@anjoman.org).

Also, please plan to attend SIP "Special" Meeting on SIAP formation and Fundamental Changes to SIP to be held on Friday, October 17, 2008 <http://www.anjoman.org/events.html> Again your participation and feedback is greatly appreciated.

*Masoud Moghraderi-Zadeh,  
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San Jose, California  
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