



# Marine Corps League Auxiliary, INC

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## **Guidelines/Procedures (Voluntary Surrender of Unit Charter)**

There comes a time when a Unit chooses to voluntarily surrender their charter due to one reason or another. No Unit Member likes to help make the decision of closing their home Unit. These are simple guidelines for Unit's as an aide of what steps needs to be accomplished in the procedure of Voluntarily surrendering the Unit Charter.

### **Division/Departments:**

If a Unit chooses to voluntarily surrenders their charter, please keep in mind that it is the Members of that Unit that made the difficult decision to surrender their charter. We, as a Department/Division, are there to support and aide these Unit's in what decision they make. You cannot force them to remain as a Unit.

When a unit choose to surrender their charter, the Department, shall write the unit members a letter that they are sadden to hear of their choice of voluntarily surrendering their Unit Charter and offer a transfer to other Units within proximity of their home or MAL (Member At Large) and to include a transfer from. This letter should come from the Department President via the Department Secretary/Treasurer.

- In the event that there is no Department, the letter and transfer form should come from the Division Vice President.

### **Units:**

The following are the steps necessary to voluntarily surrender your Unit Charter:

The Charter of a unit maybe voluntarily surrendered for such reasons as maybe determined by the Unit. Upon determination that it is no longer practical to maintain said unit. The Unit Board of Trustees shall immediately notify its jurisdictional Department, or if a jurisdictional Department is non-existent, it's National Division Vice President in writing of its intent to dissolve and surrender its charter.

1. Call a special meeting of the unit by giving written notice of such a special meeting to ALL members of the Unit at least fourteen (14) days prior to such special meeting. If the regular meeting date of the unit is to be used for the special meeting, the aforesaid written notice must still be given to all Unit members at least fourteen (14) days before the Regular meeting.



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2. Upon consideration of the voluntary surrender of the Unit Charter by the Unit. If it shall be determined that the Unit charter shall be voluntarily surrendered and there are not a minimum of five (5) members of the Unit who remain ready, willing and able to carry on the Unit, then:
  - a) The unit shall immediately notify, in writing, the jurisdictional Department, or where such department is non-existent, the jurisdictional Division Vice President of the Units vote to voluntarily surrender its charter. A copy of the letter should include the minutes indicating the approving the vote for charter surrender. A copy of the letter and minutes should also be sent to the Department Secretary/Treasurer to be placed into the Department files for said unit and to the Department Judge Advocate. A copy of the formal letter should be sent to the Division Vice President and a copy to the affiliated Marine Corps League Detachment Commandant, if applicable.
  - b) Of primary importance is the handling of all Unit Members. The unit shall determine from each member of the unit, where each member desires to be transferred to upon surrender of the charter.
  - c) Prepare for each member of the standard application for transfer form as set in Enclosure #8 of the National Bylaws and Administrative Procedures and forward to the gaining unit.
  - d) If a member of the unit fails to indicate where such member desires to be transferred to, or if a gaining unit shall not elect to accept a proposed transfer, then in that event the member shall be transferred to a "Member-At-Large" upon the surrender of unit submitting a standard transmittal form set forth in Enclosure #19 of the National Bylaws and Administrative Procedures.
  - e) The unit shall to the extent assets are available satisfy all legitimate liabilities of the Unit prior to voluntary surrender but shall not otherwise dissipate any assets of the Unit other than the normal course of business of the Unit.
  - f) Upon acceptance of the surrender of the charter, if the unit is incorporated, the unit shall take such action as deemed appropriate to properly dissolve the corporation in accordance's with applicable state and local laws. Send a letter to the Department Secretary/Treasurer certifying that incorporation has been terminated.
  - g) Internal Revenue Service (IRS)
    - i. The IRS must be contacted to notify them that your Employer Identification Number (EIN) is no longer in business when it is time to file your 990/990n, there is a box on the 990n to check/mark for indicating this. Department Secretary/Treasurer needs to be notified that the EIN has been terminated, so this information can be passed along to National HQ MCLA.



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3. No surrender of a unit charter shall be deemed or accepted until ALL members of the Unit have be appropriately transferred.
  - a. If a Unit Member does not indicate which Unit she desires to transfer to or does not respond, may be administratively transferred to the closest Unit or be administratively be transferred to the MAL list, within a time frame as determined by the Department or Division Vice President.
4. ALL the Unit's assets are to be turned over within 30 days to the Department, if no Department exists, all assets are to be turned over to the Division Vice President.
5. A unit whose charter has been voluntarily surrendered has a two (2) year period to reorganized and be reissued the charter and claim its remaining assets.
6. Since National Headquarters, Marine Corps League Auxiliary grants a charter, then the Auxiliary alone has the authority to withdraw the charter of the Unit.



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## Sample Letter of Notification of Voluntary Surrender of Charter

Date: \_\_\_\_\_

TO: Department MCLA/Division MCLA and Host Detachment MCL  
1234 Anystreet Rd  
Any Town, State 56789

FROM: XYZ Unit #09876543210, Marine Corps League Auxiliary  
4321 Anystreet CT  
Any Town, State 56789

INFO: Department Secretary/Treasurer, Department Judge Advocate

**SUBJ: Voluntary Surrender of Charter**

We the members of XYZ Unit #09876543210 of the Marine Corps League Auxiliary are writing you to inform you that at our Regular/Special meeting held on \_\_\_(Date)\_\_\_ have voted to voluntarily surrender our charter.

A copy of the minutes of the meeting are attached, showing that an authorized vote was held and the reason for closing the Unit. In accordance with the National Bylaws/Administrative Procedures, we are aware that there is a two-year window for the possibility of reestablishing the Unit.

All procedures required will be fulfilled, especially concerning the future of all our members.

*JoAnne Schmitt*

JoAnne Schmitt  
Unit President  
XYZ Unit #09876543210