

BYLAWS

Of

THE

AMERICAN LIBRARY

ASSOCIATION

GENERAL REVISION, DRAFT 3

1 **ARTICLE I. NAME**

2 The name of this association shall be the American Library Association.

3

4 **ARTICLE II. PURPOSE**

5 The purpose of the American Library Association (the “Association”) shall be to promote
6 library service and librarianship.

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8 **ARTICLE III. MEMBERSHIP**

9 *Section 1. Organization.* The American Library Association is composed of the Executive
10 Board, the Council, divisions, round tables, committees, and other units established under the
11 authority of the Association. Each unit of the Association shall be governed under applicable
12 provisions in the Bylaws of the Association and no unit may adopt a rule in conflict with a rule of
13 the Association.

14 *Section 2. Eligibility.* Any person, library, or organization interested in library service and
15 librarianship shall be eligible for membership. Applicants shall be declared members of the
16 Association upon completion of the membership application process and payment of dues.

17 *Section 3. Classification of Membership.* Categories within each classification of
18 membership in the Association may be established by the Council upon recommendation by the
19 Executive Board. Membership of the Association shall consist of the following membership
20 classes:

A. *Personal Members.* Individuals shall be eligible for personal membership in the Association;

B. *Organizational Members.* Libraries, library associations and organizations, schools conducting programs of library education, affiliate organizations, and other non-profit entities;

C. *Corporate Members.* For-profit entities interested in the purpose of the Association.

Section 4. Rights and Privileges. All members shall have the right to attend meetings. Only personal members of the Association shall have the right to make motions, debate, and vote in membership meetings; and to nominate, petition, hold office, and vote in elections.

Section 5. Dues. Dues shall be set by the Executive Board with approval by the Council. The membership year for all members of the Association shall be twelve (12) consecutive months, effective the first day of the month following receipt of initial dues payment. Membership counts shall be fixed as of August 31st of each year.

Section 6. Unpaid Dues. Membership in the Association shall be automatically canceled for failure to pay dues within two (2) months of membership expiration. Members shall receive notice prior to membership cancellation. Lapsed memberships shall be reinstated upon payment of outstanding dues for the current membership year.

Section 7. Suspension. The Executive Board may suspend a member for cause by a two-thirds (2/3) vote and may reinstate a suspended member by a two-thirds (2/3) vote.

ARTICLE IV. OFFICERS

43 *Section 1. Association Officers.* The officers of the Association shall be a president; a
44 president-elect, who shall serve as vice-president; a treasurer; and an executive director. The
45 executive director serves as a non-voting, ex-officio member of the Executive Board and the
46 Council.

47 *Section 2. Duties.* The president, president-elect, executive director, and treasurer shall
48 perform the duties pertaining to their respective offices and such other duties as may be approved
49 by the Executive Board. The president, for the Executive Board, and the executive director, for the
50 headquarters staff, shall report annually to the Council. The executive director shall manage the
51 headquarters and its personnel, carry out the activities provided for in the budget, and perform
52 such other duties as may be assigned to the office.

53 *Section 3. Elected Officer Vacancies.* Upon a vacancy in the office of the president, the
54 president-elect shall assume the office thereby creating a vacancy in the office of the president-
55 elect. The Executive Board shall fill a vacancy in the office of the president-elect or the treasurer
56 within thirty (30) days of any such vacancy. An individual appointed by the Executive Board to
57 fill a vacancy shall serve in an interim capacity until a successor is elected.

59 **ARTICLE V. EXECUTIVE BOARD**

60 *Section 1. Composition.* The Executive Board of the American Library Association shall
61 consist of fifteen (15) members including: the four (4) officers of the Association, the immediate
62 past president, and ten (10) councilors elected by Council to three-year (3-year) terms as follows:

- 63 a. three (3) at-large members;
- 64 b. two (2) division members;

- c. one (1) round table member;
- d. one (1) Rainbow Round Table member;
- e. one (1) chapter member;
- f. one (1) American Association of School Librarians member; and
- g. one (1) National Association of Librarians of Color (NALCo) member.

All Executive Board members must be active members of the American Library Association. Executive Board members elected by Council must be current Councilors and, as appropriate, current members of the division, round table, chapter, or association they are representing.

Section 2. Roles and Responsibilities. The Executive Board shall act for the Council in the administration of established policies and programs, and shall report on its activities at the next scheduled Council meeting. The Executive Board has fiduciary responsibility for the Association, manages the affairs of the Association, and delegates management of the day-to-day operations to the executive director. The Executive Board shall make recommendations to the Council with respect to matters of policy.

Section 3. Executive Board Terms. All elected officers and members of the Executive Board shall serve until the adjournment of the annual conference that follows the selection of their successors. The president-elect shall serve the first year after election as vice-president, the second year as president, and the third year as immediate past president. All other members of the Executive Board shall serve staggered terms of three (3) years or until their successors are elected.

Section 4. Executive Board Vacancies. A vacancy in the elected membership of the Executive Board shall be filled by Executive Board appointment, and the person so appointed will

88 serve until the following election. A vacancy in the office of the immediate past president shall be
89 filled by a past president of the Association and appointed by the Executive Board.

90 *Section 5. Appointments.* The executive director shall be appointed by the Executive Board
91 and shall hold office at its pleasure. An interim executive director may be appointed by the
92 Executive Board to serve until a permanent appointment to the office is selected. The Executive
93 Board shall fix the compensation of paid officers.

94 95 **ARTICLE VI. COUNCIL**

96 *Section 1. Council Duties.* The Council of the American Library Association shall be the
97 policy-making body of the Association. The Council shall delegate to the Association authority to
98 plan and carry out programs and activities within assigned fields of responsibility. The Council
99 shall have the authority to establish a division, round table, or any other unit needed to effect the
100 work of the Association and to dissolve units authorized under its authority.

101 *Section 2. Composition and Terms.* Only personal members of the Association shall be
102 eligible for nomination to the Council from their respective constituencies. Furthermore:

103 A. Each division of the Association shall be entitled to one (1) councilor to be elected by
104 the respective members of the division;

105 B. Each round table with personal membership equal to or greater than one percent (1%)
106 of the total personal membership shall be entitled to elect one (1) councilor each, and
107 the remaining round tables jointly shall be entitled to one (1) councilor who shall be a
108 member of at least one of these round tables and shall be elected by the respective
109 members of these round tables.

C. Each chapter shall be entitled to one (1) councilor to be elected by the respective members of the chapter;

D. Each of the National Associations of Librarians of Color (NALCo) shall be entitled to one (1) councilor to be elected by the respective association;

E. Eighteen (18) councilors at-large shall be elected directly by the Association at large;

F. Elected members of the Executive Board shall be voting ex-officio members of the Council.

Section 3. Councilor Terms. Councilors shall serve terms of three (3) years or until their successors are elected. A councilor elected under this article shall continue to serve without prejudice to any change that might occur in the size of the membership of the unit they are representing. The terms of division, round table, and at-large councilors shall commence at the adjournment of the final Council meeting of the annual conference following their election. Chapters and NALCos shall accredit their councilors to the executive director in advance of the first meeting after their election. No person shall serve in multiple Council positions simultaneously as a member of the Council with the exception that members of the Executive Board may also be an elected member, but such member shall have only one (1) vote when voting in the Council.

Section 4. Council Officers. The president, president-elect, treasurer, and executive director of the Association shall serve as officers of the Council, with the executive director serving as its secretary.

Section 5. Council Meetings. The Council shall hold at least two (2) meetings each year, of which one shall be held during the annual conference of the Association and any other(s) shall

be designated by the Executive Board or at the call of the president. A majority of the fixed membership of the Council shall constitute a quorum for all meetings.

Section 6. Council Vacancies. A vacancy in the membership of the Council representing the Association at large shall be filled at the following election to complete the unexpired term and take effect immediately after the election is certified. A vacancy in the membership of the Council representing a chapter, division, round table, or association may be filled by that respective constituent on an interim basis. The interim councilor shall serve as a voting member until the next regularly scheduled election.

Section 7. Council Succession. If a member is elected to the Council but declines the position during the period between the announcement of the annual election results and the seating of the new Council at the conclusion of the annual conference, the seat will be filled by the candidate who received the next highest number of votes in the annual election. If the election of a division or round table councilor was not contested, the division or round table shall accredit an interim councilor to the executive director in advance of the first meeting after selection. The interim councilor shall serve as a voting member of the Council to represent the division or round table until a councilor is elected in the next annual election and is seated in the new Council at the conclusion of the following annual conference.

ARTICLE VII. MEETINGS

Section 1. Annual Meeting. There shall be an annual conference of the Association at such place and time determined by the Executive Board. During the annual conference, there shall be an annual meeting of the Association.

155 *Section 2. Membership Meetings.* A membership meeting consists of the voting members
156 of the Association and may act upon all business in order. A membership meeting shall be held
157 during the annual conference or at such other times as may be set by the Executive Board, the
158 Council, or by membership petition. A membership petition must be filed with the executive
159 director at least thirty (30) days before the proposed meeting with five percent (5%) or more voting
160 members of the Association as of August 31st of each year. The Association, by a vote at a
161 membership meeting, may refer any matter to the Council with recommendations and may require
162 the Council to report on such matter at any specified meeting of the Association. Any question of
163 policy may, by a majority vote of the Council, be submitted to the Association to be voted upon
164 either at a membership meeting or as the Council may determine. An action of the Council may
165 be repealed by a majority vote of the Association in a vote in which a minimum of twenty-five
166 percent (25%) of the personal members of the Association have cast a valid vote.

167 *Section 3. Special Meetings.* Special meetings of the Association may be called by the
168 Executive Board, the Council, or by membership petition. At least thirty (30) days' notice shall be
169 given, and only the business specified in the call shall be transacted. The Executive Board may
170 arrange for regional meetings in an area covered by a regional chapter with consent of such chapter.

171 *Section 4. Registration.* Meetings or conferences of the Association may include a
172 registration fee at the discretion of the Executive Board.

173 *Section 5. Virtual Meetings.* Meetings of the Association membership may be held
174 virtually, and the Executive Board shall establish the procedures for such meetings.

175 *Section 6. Voting.* A majority vote, provided a quorum has participated shall be required
176 for passage of any measure voted on by these means.


177 A. The Executive Board may authorize the method and time by which votes are to be taken
178 by the Association and by the Council.

179 B. Votes in the Executive Board, the Council, committees, and task forces shall have the
180 authority to set a time limit within which the votes of its members shall be recorded,
181 but if no such time limit is set, no vote shall be counted unless received within thirty
182 (30) days from the day the matter was voted upon.

183
184 *Section 7. Quorum.* Seventy-five (75) voting members shall constitute a quorum at
185 membership meetings. The quorum for meetings of the Executive Board, the Council, and
186 committees shall be a majority of the fixed voting membership.

187 188 **ARTICLE VIII. COMMITTEES**

189 *Section 1. Committee Establishment.* Intended to be permanent and meet regularly, standing
190 committees of the Association shall be established and charged by the Council. Intended to be
191 temporary and meet as needed, special committees of the Association may be established and
192 charged either by the Council or by the Executive Board.

193 A. *Standing Committees.* The standing committees of the Association named in these
194 bylaws are the Bylaws Committee, the Committee on Appointments, the Committee
195 on Committees, the Committee on Organization, the Election Committee, the
196  Nominating Committee, and the Policy Monitoring Committee.

Other standing committees may be adopted by resolution of the Council. The Committee on Organization shall recommend to Council the name, size, composition, and charge of any such committee.

B. *Special Committees.* Committees that are not standing committees including ad hoc committees, advisory committees, commissions, task forces, working groups, etc. established and charged either by the Council or by the Executive Board, whatever their name, shall be special committees. The term of a special committee shall automatically end with the fulfillment of its purpose but shall be limited to two (2) years unless otherwise extended to fulfill its purpose.

C. *Interdivisional or Joint Committees.* Interdivisional or joint committees may be established by the Council or by the Executive Board, either between divisions or with other organizations, when the functions of the proposed committee cannot be appropriately delegated to a single division or Association committee.

Section 2. *Appointments.* Committee appointments shall be made by the Executive Board, upon the recommendation of the Association Committee on Appointments or the Council Committee on Committees. The Executive Board shall appoint committees of the Association not otherwise provided for. Only personal members of the Association shall be appointed to committees except by authorization of the Executive Board.

Section 3. *Committee Terms.* The committee membership year shall be the same as the conference year. Unless otherwise approved by the Executive Board or the Council, committee members shall be appointed for terms of two (2) years or until their successors are appointed, and may be reappointed for one (1) additional, consecutive term. In no case shall a person serve on a

committee for more than four (4) consecutive years. Appointments shall be made in such manner as to provide continuity in membership.

Section 4. Committee Vacancy. Any vacancy occurring on a committee shall be filled by appointment made by the president, and the new appointee shall serve in an interim capacity to fill out the unexpired term until a successor is appointed.

Section 5. Removal from Committee. Upon recommendation of either the chair of the committee, officers of the Association, or division or round table member leadership, the Executive Board may remove a committee member from a committee for cause by a two-thirds (2/3) vote and may reinstate a member by a two-thirds (2/3) vote.

Section 6. Limitations. Except as authorized, no committee shall commit the Association by any declaration of policy or other statement, nor shall it incur expenses on behalf of the Association except as authorized.

ARTICLE IX. DIVISIONS

Section 1. Purpose. The purpose of a division, an internal unit of the American Library Association, is to provide focused attention on library service and librarianship within and for a) a particular type of library or b) a particular type of library activity, and to cooperate in the promotion of general and joint enterprises within the Association and with other library groups. Each division shall represent a field of responsibility clearly distinct from that of other divisions. A division shall have authority to act for the Association as a whole on any matter determined by the Council to be the responsibility of the division.

240 *Section 2. Establishment.* The Council may establish a division with a minimum of five-
241 hundred (500) members of the Association who are interested in the same field of librarianship
242 upon petition of such a group. Under exceptional circumstances, the Council may admit as
243 divisions groups having fewer than five-hundred (500) members. If, in the opinion of the Council,
244 the usefulness of a division has ceased, the Council may dissolve a division by a majority vote at
245 two (2) consecutive Council meetings. A division that is going through the process of
246 discontinuance is entitled to Council representation until it is officially dissolved.

247 *Section 3. Governance and Limitations.* Each division shall be governed by the bylaws and
248 other applicable rules of the Association. To guide the officers and members in conducting the
249 affairs of a division which are particular to itself, the division shall adopt bylaws, policies, or
250 procedures, which shall not be in conflict with those of the Association.

251 Except as authorized, no division shall commit the Association by declaration of policy or
252 other statement, nor shall it incur expenses on behalf of the Association.

253 *Section 4. Organization.* Each division shall be organized under a board of directors with
254 authority to make decisions of the division. Each division may establish committees, sections, and
255 other subordinate units as may be required to execute the business of the division.

256 *Section 5. Activities.* A division may develop standards, issue publications, hold meetings,
257 retain or adopt a distinctive name, and, in general, carry-on activities along the lines of its interests.
258 A division may be authorized to arrange a divisional conference under such conditions as the
259 Executive Board may prescribe.

ARTICLE X. ROUND TABLES

Section 1. Purpose. The purpose of a round table, an internal unit of the American Library Association, is to provide an avenue for membership discussion, education, and response by library interest area or field of librarianship not represented within a division in order to implement and enhance the Association's goals and priorities.

Section 2. Establishment. The Council may authorize a round table of any group with a minimum of one-hundred fifty (150) members of the Association who are interested in a specific area of library interest or field of librarianship not within the scope of any division, upon petition of such group, which shall include a statement of purpose. Each round table shall maintain at least one hundred fifty (150) round table members, which is calculated at the end of the Association fiscal year. Should a round table's membership count fall below one hundred fifty (150), the Committee on Organization shall present that round table with options to convert into, or merge with, an existing unit of the Association, or be dissolved. Based on the affected round table's determined action, the Committee on Organization shall bring the action to the Council for a vote. The Council may dissolve a round table by a majority vote at two (2) consecutive meetings. A round table that is entitled to a councilor and is going through the process of dissolution is entitled to Council representation until it is officially dissolved.

Section 3. Governance and Limitations. Each round table shall be governed by the bylaws and other applicable rules of the Association. To guide the officers and members in conducting the affairs of a round table which are particular to itself, the round table shall adopt rules, which shall not be in conflict with those of the Association.

No round table shall commit the Association by any declaration of policy or other statement, nor shall it incur expenses on behalf of the Association except as authorized.

ARTICLE XI. CHAPTERS

Section 1. Purpose. The purpose of a chapter is to provide focused attention on general library service and librarianship within a particular geographic area, to provide geographic representation to the Council, and to cooperate in the promotion of general and joint enterprises with the Association and other library groups.

Section 2. Establishment. The Council may recognize a chapter in any state, province, territory, or region. No more than one (1) chapter of the American Library Association shall exist in any state, province, territory, or region. No state, provincial, or territorial association may be included in more than one (1) regional chapter. Any chapter may withdraw from chapter status, provided the issue has been submitted to a vote of the chapter membership and is favored by a majority of the members voting; and provided further that notice of withdrawal is sent to the executive director. A chapter shall be removed from recognition as a chapter by the Council if it becomes inactive or fails to comply with the provisions of this article.

Section 3. Governance and Limitations. Any legally constituted state, provincial, territorial, or regional library association may be recognized as a chapter. A chapter may admit members who are not members of the American Library Association.

Section 4. Organization. Each state, provincial, territorial, or regional chapter shall be the final authority within the American Library Association regarding programs and policies that concern only the area for which the chapter is responsible, provided these are not inconsistent with any programs and policies established by the Council.

308 **ARTICLE XII. AFFILIATED ORGANIZATIONS**

309 *Section 1. Qualifications.* National and international organizations having purposes similar
310 to those of the Association or to one or more of the Association's subdivisions may request to
311 become an affiliated organization of the Association. Requests for affiliation are subject to
312 approval by the Council.

313 *Section 2. Limitations.* The Association or any subdivision thereof may request to become
314 an affiliate of other national or international organizations having purposes similar to those of the
315 Association or to one or more of the Association's subdivisions. However, no subdivision of the
316 Association may separately affiliate itself with an organization with which the Association is
317 affiliated. Requests for affiliation are subject to approval by the Council. A division or round table
318 may affiliate with itself groups interested in the same field of library service or librarianship. Such
319 groups may admit nonmembers of the Association.

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321 **ARTICLE XIII. FINANCES**


322 *Section 1. Review and Approval.* The annual budget, including the annual estimates of
323 income and budget objectives, shall be submitted for Executive Board review and approval as part
324 of the budget process. Except for projects supported by grants to the Association, annual estimates
325 of income shall be based upon the unexpended balance remaining from the previous fiscal year
326 plus anticipated revenues for the next budgeted year. In no case may expenditures be budgeted in
327 excess of the estimates of income arrived at in this manner except for projects supported by grants
328 to the Association.

329 *Section 2. Auditing.* An audit of all accounts shall be made annually by an external auditor
330 and reported to the Executive Board.

331 *Section 3. Reporting.* A report shall be made available annually to the membership on the
332 Association's fiscal status, and at other times as directed by the Executive Board.

333 *Section 4. Endowment Funds.* Receipts from life memberships and all gifts for endowment
334 purposes shall, subject to conditions attached thereto, constitute endowment funds. Subject to
335 conditions legally incident thereto, such funds shall be in the custody of three (3) to six (6)
336 appointed trustees.

337 *Section 5. Endowment Trustees.* Endowment trustees shall be appointed by the Executive
338 Board annually to hold office for three (3) years from the date of appointment or until a successor
339 is appointed. Trustee vacancies shall be filled by the Executive Board to complete unexpired terms.
340 Endowment Trustees shall have authority to hold, invest, reinvest, disburse, and otherwise deal
341 with endowment funds in accordance with such directions as may be given them by the Executive
342 Board, subject to conditions imposed by the donors of any such funds. The treasurer shall serve as
343 a voting, ex-officio Endowment Trustee.

344  *Section 6. Division and Round Table Finances.* A division or round table shall establish
345 annual dues subject to the approval of the Executive Board. All dues paid for membership in a
346 division or round table may be put to the credit of that unit. Additional allotments may be made
347 on the basis of need as determined by the Executive Board. All division and round table funds
348 shall be held in the custody of the Executive Board, to be accounted for and disbursed by the
349 Executive Board's designated officers on authorization of the division or round table officers. A
350 division or round table shall have the right by vote of its members to impose additional fees. No
351 unit shall incur expense on behalf of the Association except as authorized.



ARTICLE XIV. ELECTIONS

Section 1. Nominating Committee. Prior to each annual conference of the Association, the Executive Board, upon recommendation of the Association Committee on Appointments, shall appoint a Nominating Committee to nominate candidates for elective positions. The Nominating Committee shall nominate candidates from among the personal membership for the position of president-elect; for the position of treasurer; and for members at-large of the Council including any vacant member at-large positions. No member of the Executive Board shall serve on the Nominating Committee.

Section 2. Reporting. The Nominating Committee shall report its nominations at the Council meeting prior to the annual election. No person shall be nominated by the committee whose written consent has not been filed with the executive director of the Association.

Section 3. Nominations. Nominations determined as herein provided shall be placed before the members of the Association on a ballot. The Nominating Committee shall also include on the ballot other nominations filed with the executive director by petition of any two-hundred (200) members of the Association for the position of president-elect and treasurer, and twenty-five (25) members of the Association for the position of councilor-at-large, provided written consent of these nominees have been filed with the executive director of the Association. For every election of the Association, the Election Committee shall establish a closing date for the membership list. Only members in good standing on that date shall receive a ballot and shall be entitled to vote. Every member of the Association eligible to vote shall receive a ballot.

Section 4. Qualification. For each office, the candidate receiving the largest number of votes shall be elected and shall be reported to the Association by the Election Committee. In the

case of a tie vote, the successful candidate shall be determined by lot conducted by the Election Committee. In the event that a candidate for election as a councilor-at-large withdraws from or is unable to continue candidacy in the period between the distribution of ballots and the reporting of election results, the votes for that candidate shall be ignored.

Section 5. Council Committee on Committees. There shall be a Council Committee on Committees made up of four (4) councilors elected for one-year terms by the Council. The president-elect shall be the fifth member of this committee and its chair. The four (4) elected members of the Council Committee on Committees shall be elected by ballot of the councilors present and voting at the annual conference. Additional nominations for the Committee on Committees may be made by councilors from the floor.

The Council Committee on Committees shall nominate annually from among the current members of the Council three (3) at-large members, two (2) division members, one (1) round table member, one (1) chapter member, one (1) American Association of School Librarians member, one (1) National Association of Librarians of Color (NALCo) member, and one (1) Rainbow Round Table member for election by the Council to serve three-year terms on the Executive Board. Additional nominations for the Executive Board may be made by councilors from the floor. Upon election to the Executive Board, members shall continue to serve as councilors for the duration of their terms.

Section 6. Membership Referenda. By petition of one percent (1%) of the personal members as certified by the executive director, membership referenda shall be placed on the annual ballot for a vote except that no referenda ruled out of order shall be voted upon. A petition for a membership referendum must be filed with the executive director at least one hundred twenty (120) days before the annual conference.





ARTICLE XV. POLICIES

Section 1. Policies. While these bylaws define its governing rules, Association policies define its day-to-day operations. Association policies, whether those adopted by formal action of Council or other policies, shall be maintained in a manual available to all members. Policies may not conflict with a rule established in the bylaws.

Section 2. Policy Monitoring Committee. The Policy Monitoring Committee shall monitor the accurate documentation and codification of Association policies and, subject to approval by the Council, shall prepare additions to or changes in the Association policy manual.

ARTICLE XVI. PARLIAMENTARY AUTHORITY

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Association may adopt.

ARTICLE XVII. AMENDMENTS

Section 1. Amendments. All proposals for amending the bylaws shall originate in the Council. An adopted amendment shall become effective when it has been approved by a majority of the members of the Council present and voting at a meeting of the Council, followed by ratification by the members of the Association. The Council, on approving a proposed amendment,

shall direct the executive director to place the amendment on the annual ballot, for ratification by the membership.

Section 2. Notice. Members shall be given at least thirty (30) days' notice of proposed amendment or new bylaw. Publication of notice in *American Libraries* shall be considered sufficient to fulfill the requirement of notice.

Section 3. Editorial Updates. The Council, upon recommendation of the Bylaws Committee, may make such editorial changes in these bylaws as do not change their substance and meaning.

ARTICLE XVIII. DISSOLUTION

Section 1. The Association may be dissolved by majority vote of the Executive Board. The Executive Board shall comply with all requirements of Massachusetts law applicable to the voluntary dissolution of a charity. After satisfaction of liabilities, any remaining funds shall be distributed to an organization exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended.