


**X12 Corporate Administrative
Policy and Procedure**

Board Elections (CAP08)

Contents

Board Elections.....	3
1 Introduction.....	3
2 Authority.....	3
3 Background.....	3
4 Director Qualifications.....	3
5 Determining the Number of Open Seats.....	4
6 Establishing the Election Committee.....	5
7 Call for Applications.....	5
8 Candidate Criteria.....	5
9 Application Vetting.....	6
10 Announcing the Slate.....	7
11 The Election.....	7
12 Assuming Office.....	7
13 Terminology.....	7
14 Document History.....	8

Board Elections

1 Introduction

The X12 Board of Directors (Board) is responsible for this policy and associated procedures.

Members agree to be bound by these policies and to follow the associated procedures as a condition of membership. Non-members afforded specific collaboration privileges agree to be bound by these policies and to follow the associated procedures as a condition of those privileges.

Suggestions for improvements to this document are welcome. They may be submitted at <http://changerequest.x12.org>.

Staff procedures supporting these policies and procedures are maintained separately. Questions related to the staff procedures may be directed to the Executive Director at execdir@x12.org.

2 Authority

The corporate rules of order and standing rules detailed herein supplement the **X12 Bylaws (CAP01)**. In the case of any inconsistency between corporate rules and the Bylaws, the Bylaws prevail.

Corporate rules of order and standing rules may be augmented by more detailed or more restrictive committee rules; however, such rules shall not duplicate, supersede, contradict, countermand, or overrule the corporate rules. In the case of any inconsistency between corporate rules and committee rules, the corporate rules prevail.

3 Background

This policy/procedure defines the qualifications and criteria interested individuals must meet to be considered as a candidate for a Board seat and how candidates are identified and elected to the Board.

4 Director Qualifications

The Board shall be composed of individuals (Directors) who have demonstrated significant achievements in business, education, or public service. They must have the requisite intelligence, education and experience to make a significant contribution to the

deliberations of the Board. In addition, Directors shall bring a broad range of experiences to the Board.

Directors shall have the following attributes.

1. Enterprise Leadership Experience
A Director shall have extensive and relevant leadership experience including an understanding of the complex challenges of enterprise leadership.
2. Relevant Sector Experience
A Director shall have gained their leadership experience in sectors directly relevant to the organization's business, or in professional disciplines pertinent to the organization's key areas of interest.
3. Corporate Governance Experience
A Director must have sufficient corporate governance experience to understand fully the legal and other responsibilities of an independent director of a U.S. corporation.
4. Personal Characteristics
A Director must be of the highest moral and ethical character. A Director must exhibit integrity, vision, objectivity, and independent thought and judgement. A Director shall have specific qualities which support a substantial contribution to Board deliberations including intelligence, inter-personal skills, flexibility, and communication skills. A Director shall be highly regarded and respected by peers and subordinates. A Director shall have demonstrated a personal commitment aligned with the organization's key areas of interest.
5. Availability
A Director shall have, and be willing to commit, sufficient time to discharge the duties of Board membership.
6. Compatibility
A Director must be willing and able to develop a good working relationship with other Board members and with the organization's senior management.
7. Commitment
A Director must be committed to the mission and principles of the organization.
8. Education
A Director should hold at least an undergraduate degree from a respected college or university. However, an exceptional applicant who does not meet these educational criteria shall not be excluded from consideration.

5 Determining the Number of Open Seats

By October 1st of each calendar year, the Board shall determine the number of Board seats, member and unrestricted, to be filled in the next Board election.

A member seat must be filled by a qualified member representative. An unrestricted seat may be filled by any qualified individual, regardless of membership.

The number of open seats shall be determined in compliance with the requirements for board make-up included in the *Bylaws (CAP01)*.

6 Establishing the Election Committee

Each election will be overseen by an Election Committee. By October 1st of each calendar year, the Board shall select an Election Chair, who shall be a Board member. The Election Chair shall appoint at least two and not more than four individuals to the Election Committee. Each appointee must be a Board member or an X12 member's representative.

The Election Committee shall determine the slate of candidates and oversee the elections.

The Election Committee shall be automatically disbanded on February 15th of each calendar year, unless there is an active protest or dispute related to the election or the election results.

7 Call for Applications

By October 15th of each calendar year, staff will publish a call for board applications. The call shall be sent to the X12 membership via email announcement to each member's primary representative and shall be posted on the X12 website. The call may be distributed via other channels at the discretion of the Executive Director. The call will clearly state the candidate criteria, number of open member seats, number of open unrestricted seats, the term of office, the election date and the deadline for applications. The call will include a link to an online application. The application period will be at least 30 days.

This application process is the only mechanism for inclusion on the ballot, candidates are not added to the ballot after petitioning for inclusion via a member endorsement process or by a write-in process.

8 Candidate Criteria

In addition to having the attributes described in Section 1.4 Director Qualifications, applicants selected as candidates for the Board must meet the following criteria.

1. The applicant must either represent a member whose representatives are entitled to serve in elected positions or be a non-member with a vested interest in X12.
2. Only one candidate will be selected from any one organization, regardless of membership status.
3. There shall be only one elected Director from any one organization, therefore an applicant associated with an organization already represented by an elected director shall not be eligible for selection.
4. Immediate family members of a seated Board member are not eligible for selection.
5. Employees and family members of employees of an organization which has a contract

with X12 are not eligible for selection.

6. An applicant must submit an online application by the application deadline.

9 Application Vetting

By December 1st of each calendar year, the Election Committee will select the slate of candidates from among the applicants. The Election Committee's deliberations are confidential and will not be disclosed. It is recognized that portions of this vetting are subjective and the Election Committee will make every attempt to evaluate applicants consistently.

The Election Committee shall evaluate each applicant as described below, in the context of the overall composition and needs of the Board, with the objective of recommending a group that best integrates with sitting Directors to manage the business and affairs of the organization. Based on this evaluation, the Election Committee may select fewer candidates than the number of open seats as determined in Section 1.5 Determining the Number of Open Seats.

The Election Committee will select a candidate slate based on the following:

1. Having the attributes described in Section 1.4 Qualifications and meeting all criteria listed in the Section 1.8 Candidate Criteria.
2. Evaluation of the balance between member representatives and non-members and individual and organizational members on both the slate and the potential resulting Board.
Balance herein indicates a reasonable division; it does not indicate exact numerical balance.
3. The candidate having sufficient X12 knowledge or experience to ensure an understanding of the organizational, political, and technical aspects of the organization.
4. The Board is committed to maintaining diverse representation. As such, selection will include an evaluation that assists in achieving a combination of that represent a diversity of background, experience and viewpoints, on both the slate and the potential resulting Board.
However, candidates shall not be chosen nor excluded solely or largely because of race, color, gender, national origin or sexual orientation or identity.
5. Preference shall be given to applicants with experience as an executive or senior officer of a corporation.
6. Preference shall be given to applicants with proven experience in nonprofit governance.
7. Preference shall be given to applicants with executive experience in a highly-regulated industry.
8. The overall ability and experience of individual applicants.

If there are fewer candidates than open seats, announced seats will remain unfilled.

All applicants, including those not selected for inclusion on the slate, will be notified of the final slate before the ballot is opened.

10 Announcing the Slate

The slate of candidates may be announced before the ballot is opened at the discretion of the Election Committee.

11 The Election

Board elections shall be conducted as electronic votes, with voting closing no later than January 15th of each calendar year. The Election Chair will have the final decision on any issues related to the execution of the election.

Candidates who do not receive a simple majority of the ballots cast, excluding abstentions, are disqualified. Seats are awarded to the remaining candidates based on the number of total votes received. First, member seats will be filled by candidates who are member representatives; with each open member seat filled in turn by the member candidate who has the most votes and has not yet been awarded a seat. Then, each unrestricted seat will be filled in turn by the remaining candidates who received the most votes, regardless of membership status. Unearned seats will remain unfilled.

When voting is complete, the election results will be announced to X12 members and posted on the X12 website.

12 Assuming Office

The newly elected Board members will assume office by February 1st of each calendar year, contingent upon fulfilling any requirements in the X12 Bylaws.

13 Terminology

To ensure consistency within X12, the terms, definitions, abbreviations and acronyms herein have been adopted for organizational use. Some definitions are proprietary to X12. Others recognize the terms and definitions of another organization or authority, including Robert's Rules of Order. Inclusion of external terms and definitions reduces the need for external references and improves consistency within X12 work products. The terms and definitions defined herein must be used in X12 work products when applicable and shall not be modified or revised.

Bylaws

A document that defines how an organization functions. It includes an organization's foundational rules that do not change frequently. Bylaws may be suspended only if they allow their own suspension or are in the nature of rules of order.

Member

An entity that has completed an application, paid the applicable dues and been granted X12 membership for a specific period of time. This term is used only in reference to X12 membership. Recognized participants of specific committees, subcommittees or other subordinate groups who have met the requirements for specific privileges within that group shall be referenced as constituents, not members.

Member Representative

An individual who participates in X12 activities on behalf of an X12 member. There are three types of member representatives; primary, alternate, and designated.

X12 Board

A group of elected and ex-officio leaders who oversee the business affairs of X12.

14 Document History

New versions of this document are effective on the approval date, unless otherwise stated in the approval.

Approved	Description
07/31/2017	v5: Revised to accommodate electronic voting.
10/25/2016	v4: Revised to expand the qualifications, vetting, and voting sections.
12/08/2015	v3: Revised to add details to the balloting procedure, revise timeframes for more flexibility.
01/21/2015	v2: Revised for clarity and simplicity.
11/18/2013	Initial version approved.