



ASC X12F/2011-54
replaces
ASC X12F/2006-101

CONSTITUTION OF ASC X12 FINANCE SUBCOMMITTEE

ESTABLISHMENT: This organization shall be named the ASC X12 Finance Subcommittee and may be identified herein as the Finance Subcommittee or as FS. Its formation was approved by ASC X12 on February 13, 1989.

The FS has been established by the American National Standards Institute's (ANSI) Accredited Standards Committee (ASC) X12 as a standing subcommittee. Primary administrative direction is the responsibility of the X12 Steering Committee.

ADOPTION OF THIS CONSTITUTION: Adoption was effective when passed by two thirds vote of the subcommittee members attending both the June and October 1999 meetings of this subcommittee.

PRECEDENCE: This subcommittee shall adhere to the ASC X12 Organization and Procedures, and any Standing Documents that define procedures pertaining to subcommittees, which shall govern in event of conflict with any of the sections of this constitution.

APPROVED ASC X12 STEERING COMMITTEE:
September 28, 2006
October 6, 2011

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1. ORGANIZATION

- 1.1 This organization shall be named the ASC X12F, the Finance Subcommittee and may be identified herein as the Finance Subcommittee or as FS.
- 1.2 The FS has been established by the American National Standards Institute's (ANSI) Accredited Standards Committee (ASC) X12 as a standing subcommittee. Primary administrative direction is the responsibility of the X12 Steering Committee.

2. SCOPE OF RESPONSIBILITY

- 2.1 The ASC X12 Steering Committee has empowered the FS with responsibility to define, develop, and support new transaction sets and review proposed changes to existing transaction sets that relate to the request, initiation, processing, control, reporting and security of financial transactions. The FS may, at its discretion, alter its area of responsibility by petition to and approval of the ASC X12 Steering Committee.

The FS will participate in joint efforts with other ANSI ASC X12 subcommittees and other ASC's as appropriate.

3. MEMBERSHIP

An organization shall have only one membership and therefore only one vote per issue.

Once an organization pays its dues to ASC X12 and its representative has attended an FS meeting, (i.e. at the second meeting), it has voting rights.

Membership rests with an organization, not the individual. Though the same representative need not attend in order for the organization to maintain its membership status, consistency of representation is strongly encouraged. If an organization does not have a representative attend three consecutive meetings, the organization will lose its voting rights.

Non-members of ASC X12 may attend meetings as observers by paying the then current non-member meeting attendance fee to the Secretariat. Observers have speaking privileges to the extent that they are recognized by the chairperson. Observers do not have voting rights.

The FS Chair may nominate an individual with full subcommittee approval to serve as a

Task Group or Work Group chair or co-chair provided the individual is a paid X12 Member or pay any applicable meeting attendance fees.

If an organization has attended an FS meeting as an observer, then joins ANSI ASC X12, it will be granted voting rights immediately after dues are paid.

Membership in FS constitutes membership in all FS task groups.

A member company representative of the Finance Subcommittee who leaves the employment of the member company and becomes an employee of another member company may represent the new employer immediately.

4. OFFICERS

The officers shall be elected individuals from FS member organizations. Titles reside with the individuals rather than with the sponsoring organizations.

Officers shall be elected to serve two-year terms.

If an officer resigns from an elected position, the vacancy must be announced at a full FS meeting.

Officers have a responsibility to clarify positions they take on issues or in response to inquiries as being either individual, organizational, or representing the position as an officer of the FS. Further, positions taken as officers of the FS should cover only their specific scope of authority.

If an FS officer fails to attend two (2) consecutive ASC X12 Standing Meetings, the office shall be declared vacant and elections must be held.

4.1 Duties of FS officers shall include the following:

4.1.1 Chairperson

- a. Preside at meetings and prepare meeting agendas.
- b. Appoint FS representatives as required.
- c. Assign duties as necessary to advance FS work.
- d. Communicate official position of the FS.
- e. Arrange for meeting facility requirements.

4.1.2 Vice Chairperson

- a. Assume the duties of the Chairperson in his/her absence.
- b. Assume the chair position for ad hoc or standing task groups until interim election is held.

- c. Perform other duties as delegated by the Chair.
- d. Provide meeting minutes, in the absence of the subcommittee secretary.

4.1.3 Secretary

- a. Preside at meetings in the absence of the Chairperson and Vice Chairperson.
- b. Work with Secretariat to maintain the FS membership roster and provide meeting agendas and facility requirements.
- c. Record FS meeting minutes, consolidate work group minutes/reports and distribute all within four weeks of the meeting.
- d. Work with Secretariat to maintain attendance records of the FS.
- e. Issue meeting notices to FS members and attendees.
- f. Work with Secretariat to attest to nominee election eligibility and industry classification.
- g. Document binding votes in meeting minutes.
- h. Perform other duties as delegated by the Chairperson or Vice Chairperson.
- i. The role of the Secretary could be divided and performed by one, two, or three individuals. Prior to the elections, candidates must indicate whether their interest is in the full office or only in the logistic, scribe, or membership roles. In order for the Secretary position to be shared, all of the secretarial roles must be supported. Members who have agreed to share the roles of Secretary will be considered as a single candidate for the purposes of voting.

4.1.4 Task Group Co-Chairs

- a. Preside at meetings and prepare meeting agendas.
- b. Assign duties as necessary to advance the work of the task group.
- c. Communicate official position of the task group.
- d. Arrange for meeting facility requirements through the FS Secretary.
- e. Lead the effort in responding to task group work requests from the FS, including those items coming from other groups via Technical Assessment.
- f. Report results of Task Group work to the FS or appoint a representative.
- g. Provide minutes of task group meetings during the ANSI ASC X12 Standing Meeting week to the FS secretary by the end of that week.

4.1.5 Procedures Review Board Representatives and Alternate

- a. Represent the FS at all Procedures Review Board meetings, or provide FS Chairperson with two weeks notice if unavailable to attend meeting. The FS chairperson will appoint an alternate to represent FS at that meeting.
- b. Report Procedures Review Board activity to the members of the FS.
- c. Representative and Alternate equally share the responsibility for representing the FS at all Procedures Review Board meetings and are expected to attend all meetings. The representative carries the official position.
- d. The PRB representative shall provide the secretary with a status report at the end of every ASC X12 Standing Meeting week.
- e. The role of Procedures Review Board Alternate may be divided and performed by more than one individual. Prior to elections, candidates must indicate whether their interest is in the full office or only in a shared role. In order for the Procedures Review Board Alternate position to be shared, all of the activities must be supported. Members who have agreed to share the role will be considered a single candidate for the purpose of voting.

4.1.6 Technical Assessment Representative and Alternate

- a. Represent the FS at all Technical Assessment Subcommittee meetings, including interim meetings, or provide the FS Chairperson with two weeks notice, if unavailable to attend meeting. An official alternate will represent FS at that meeting.
- b. Report Technical Assessment activity to the members of the FS.
- c. Review all task group work items that are to go to Technical Assessment for completeness, prior to their submission to the FS for approval.
- d. Representatives and Alternates equally share the responsibility for representing the FS at all Technical Assessment meetings and are expected to attend all meetings. The representative carries the official position.
- e. The TAS representative shall provide the secretary with a status report at the end of every ASC X12 Standing Meeting week.
- f. The role of Technical Assessment Alternate may be divided and performed by more than one individual. Prior to elections, candidates must indicate whether their interest is in the full office or only in a shared role. In order for the Technical Assessment Alternate position to be shared, all of the activities must be supported. Members who have agreed to share the role will be considered a single candidate for the purpose of voting.

4.1.7 Web Master

- a. Work with Secretariat and FS officers to maintain the FS Web page and electronic communications tools.
- b. Represent the FS at all Web related meetings.
- c. Provide updates to the FS on Web activities and technologies offered by the Secretariat.
- d. The role of Web Master may be divided and performed by more than one individual. Prior to elections, candidates must indicate whether their interest is in the full office or only in a shared role. In order for the Web Master position to be shared, all of the web master activities must be supported. Members who have agreed to share the role will be considered a single candidate for the purpose of voting.

5. VOTING

5.1 Election Voting

5.1.1 Election Frequency

- a. Elections will be held each year during the last ANSI ASC X12 Standing Meeting week. Elections will be held only for those officers whose terms have expired. Elections for Task Group (TG) Co-Chairs will be held during the same week after the election of the FS officers.
- b. Interim replacement of elected individuals shall take place at the next scheduled meeting following knowledge of the vacancy. Interim elected individuals assume responsibilities immediately and serve for the unexpired terms of their predecessors.
- c. Co-chairpersons of a newly formed task group are elected at the FS meeting following the formation of the task group. They serve until the next regularly scheduled FS election.
- d. To maintain continuity of the FS leadership, certain officers will be elected in odd numbered years. The remaining officers, will be elected in even numbered years.

Positions Elected in Odd Numbered Years

Chairperson
Secretary
Procedures Review Board Representative
EWG Representative D 14

Positions Elected in Even Numbered Years

Vice Chairperson
Procedures Review Board Rep. - Alternate
Technical Assessment Rep. - Alternate
Web Master

For Task Group Chairs, at least one of the Co-Chair positions will be elected each year based on the cycle established by the 1993 elections.

5.1.2 Election Eligibility

- a. Individuals are eligible for election if their organization is an FS member.

5.1.3 Nominations

- a. These procedures apply for nomination of all FS Officers. The procedures will be followed within the Task Groups for Task Group Co-Chairs. Other FS Officers will be nominated in the full FS.
- b. Each year at the last full FS meeting of the second ANSI ASC X12 Standing Meeting, and again at the first full FS meeting of the third ANSI ASC X12 Standing Meeting, the FS secretary shall announce the open positions for that year.
- c. Task group Co-Chair nomination and voting for open positions will be scheduled during the third ANSI ASC X12 Standing Meeting each year, to take place in the task group meetings. The scheduled times will be announced by task group Co-Chairs at the first full FS meeting of the week.
- d. An FS member may be nominated for any number of elected offices.
- e. Nomination for all FS Officers will be made in the following way:
 - Written
 - Phone call
 - Oral, to the secretary
 - From the floor
- f. Any person may nominate himself or another representative of an ASC X12 member. This may be in writing and the nominee does not have to be present at the election.
- g. Nominees may decline to accept a nomination by requesting the withdrawal of their names from the slate of candidates prior to the closing of nominations.

- h. A motion to close nominations may be made at any time. If seconded, nominations shall be closed after a unanimous favorable voice vote.
- i. After nominations are closed, each nominee will either briefly address the FS with their name, organization, position and background information or submit the above information in writing to be read to the FS by the Secretariat representative, FS secretary, or other independent party.

5.1.4 Election Voting Process

- a. Election procedures apply for all FS officers. The procedures will be followed within the Task Groups for Task Group Co-Chairs. Other FS officers will be elected in the full FS.
- b. Voting shall take place by secret ballot. The ballot form will be provided by the FS secretary.
- c. Election shall be by a majority of the votes cast.
- d. The Secretariat representative or another independent party shall collect, count, and tabulate the ballots, and determine if a candidate has received a majority or if a second ballot is necessary.
- e. All FS officers other than Task Group Co-Chairs will be elected in the full FS.
- f. Proxy voting will not be permitted for elections held within the full FS and in task groups.
- g. If no candidate receives a majority of votes on the first ballot, a second election shall be conducted. Criteria for elimination from subsequent balloting shall be: Candidates will be ranked according to the number of votes received. The bottom one-third will be dropped from subsequent voting.

The election voting process will be continued until all offices are filled.

If, after three successive ballots, the vote is evenly distributed among more than two candidates, the Secretariat representative shall eliminate all but two of the candidates by the toss of a coin.

If, after four successive ballots, the vote is evenly distributed between two candidates, the Secretariat representative shall determine the winning candidate by the toss of a coin.

The provisions of this paragraph may be waived and other tie breaking procedures established by a majority vote of the FS members in attendance.

- h. Every task group must have two Co-Chairs or it will be disbanded and its work reassigned. In the event that two Co-Chairs have not been elected by a task group, nominations may be taken from the floor at the first full FS meeting following the Task Group election.
- i. Elected officials may be removed from office by a two thirds vote at an ASC X12 Standing Meeting or if the officer is absent from two consecutive ASC X12 Standing Meetings. No person can hold two officer positions in FS, effective at the first election following the approval of the constitution.

5.2 Non Election Voting

5.2.1 Voting on draft standards for trial use will be in accordance with ANSI ASC X12 Operations and Procedures.

5.2.2 Other non-election votes can be conducted in the following ways:

- a. Show of hands.
- b. A letter ballot can be requested. A letter ballot is a ballot mailed to all FS member organizations, as determined by the FS attendance sheet. If a single organization submits multiple, conflicting votes, all votes for that organization will be ignored.
- c. Electronic voting, approved by the FS Chair, can be requested for FS standards approval balloting.

5.2.3 Voting privileges include:

- a. Casting a vote.
- b. Making motions.
- c. Seconding motions.

5.2.4 X12 FS Approval Process:

- a. Any work item to be approved by the full FS via a written ballot will be voted on by the FS membership using a ballot form supplied by the FS Secretary.
- b. All work items which will go before the Technical Assessment subcommittee must be reviewed by the FS Technical Assessment representative or alternate prior to being presented to the full FS.
- c. Proxy voting on non-election issues is not permitted.

6. MEETINGS

- 6.1 Meetings of the FS and its task groups shall be announced at least three weeks in advance by published minutes or at scheduled FS meetings or by special notice to all FS member organizations. The definition of a meeting is one or more scheduled meeting days as published in the meeting notice. All meetings of the FS and its task groups count in fulfilling membership requirements.
- 6.2 A quorum to conduct official business of a scheduled session at a meeting will consist of those members present.
- 6.3 Minutes from FS ASC X12 Standing Meetings will be available from the Secretariat. The convener of FS ASC Interim Meetings is responsible for sending the Secretariat meeting minutes within four weeks after the meeting occurs.
- 6.4 In order to receive minutes, attendees must record their attendance on the ASC X12 FS attendance sheet, as well as any task group attendance sheets that apply. Absence from two successive ASC X12 meetings will cause an individual's name to be removed from the minutes distribution list.
- 6.5 Non-member attendees will receive minutes only for meetings they attend.
- 6.6 Minutes from interim task group meetings will be available from Task Group Co-Chairs.

7. TASK GROUPS

- 7.1 Task groups are made up of observers and FS members.
- 7.2 Any inquiry directed to a task group requesting the opinion of the FS must be brought to the attention of the FS Chairperson.
- 7.3 All work items addressed by the task group and subsequently submitted to the FS must obtain the approval of the task group prior to submission to the FS. The FS chair can designate a vote held during a FS ASC X12 Standing Meeting as the task group vote in order to meet administrative deadlines. Additionally, if the item will eventually be submitted to Technical Assessment, the FS Technical Assessment representative or alternate must review the item prior to submission to the full FS.

- 7.4 All work of the task group must be approved by the full FS. If no one within a task group takes responsibility for a work item requested by the FS, it may be turned back to the FS.
- 7.5 The task group will supply a report of its activities to the FS.
- 7.6 Standing Task Groups.
 - 7.6.1 The FS may establish task groups as deemed necessary in order to accomplish specific work items.
 - 7.6.2 All standing task groups must operate under an FS approved purpose and scope. The task group may change its purpose and scope, but any changes must be presented to and approved by the full FS.
 - 7.6.3 Attendance should be taken at task group meetings and be included with the minutes.
 - 7.6.4 Task group minutes from meetings that coincide with full ASC X12 Standing Meetings will be included with full FS meetings minutes. Minutes will include tentative agendas.
 - 7.6.5 ASC X12 Interim Meeting minutes for the task group will be distributed to attendees, FS Chair, FS Vice-Chair and FS Secretary, and will be available upon request.
- 7.7 Ad Hoc Task Groups
 - 7.7.1 The FS Chair may establish ad hoc groups as deemed necessary in order to accomplish specific task items.
 - 7.7.2 An ad hoc group may consist of one or more persons.
 - 7.7.3 The ad hoc group function is to do a specific job and report back to the FS.
 - 7.7.4 Upon completion of its report, the ad hoc group is dissolved.
 - 7.7.5 The principal record keeping effort should be the documentation of the ad hoc task group report.
 - 7.7.6 For an ad hoc task group to become a standing task group, a formal purpose and scope must be presented to and approved by the full FS.

8. PARLIAMENTARY AUTHORITY

- 8.1 Adoption of this Constitution is effective when passed by a majority of votes cast by FS member organizations and when approved by the Steering Committee.
- 8.2 On all matters not covered by the Constitution, Robert's Rules of Order (latest edition) will govern.
- 8.3 Proposed amendments to the constitution must be distributed to the FS membership. Amendments to the Constitution are effective immediately, if passed by a majority of voting FS member organizations. Voting will occur at the next scheduled FS ASC X12 Standing Meeting, or by letter ballot.
- 8.4 The FS may adopt bylaws, as required.
- 8.5 At times, it is desirable to operate informally in order to permit expression of opinion without commitment to a formal motion by voting. Any member may call for a non-binding vote or a series of non-binding votes on any subject under consideration at the time. Unless specifically requested, non-binding votes are not recorded. The members are not required in any way to vote formally the same way they did on the non-binding vote. Recorded nonbinding votes are used only for the purpose of capturing the sentiment of the group. When a non-binding vote is recorded, the minutes will show the statement of the non-binding vote and an aggregate, numerical breakdown of the votes as taken. The person calling for the non-binding vote shall designate if this vote is by eligible voting members or by all present at the meeting.
- 8.6 All existing FS task group purpose and scope statements are approved upon approval of this constitution.