



**ASC Administrative
Policy and Procedure**

**Finance Subcommittee (X12F)
Constitution**

(ASC51)

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1 Preamble

1.1 Introduction

The Accredited Standards Committee (ASC) Steering Committee (Steering) is responsible for this policy and associated procedures. X12 members agree to adhere to X12's policies and procedures as a condition of membership. Non-member participants afforded specific collaboration privileges agree to adhere to X12's policies and procedures as a condition of those privileges. Any party may submit a revision suggestion via X12's online [Feedback form](#).

1.2 Authority

X12's primary organizational policies are established in the **X12 Bylaws (CAP01)** and supplemented by other corporate governance. The ASC's committee-specific rules are established in the **ASC Operating Manual (ASC01)** and supplemented by other committee-level governance. Unless otherwise specified herein, these subcommittee-specific rules stand alone and cannot be supplemented with additional rules. Any permitted supplemental governance must be reviewed by the P&P task group and posted on X12's publicly accessible policy and procedure web page.

1.3 Name

The Finance Subcommittee (X12F) was formed on February 13, 1989.

1.4 Purpose and Scope

The **X12F Purpose and Scope (ASC50)** defines X12F's purpose and scope.

2 Amendments to this Constitution

All proposed amendments to this constitution must be processed according to **ASC Subcommittees and Subordinate Groups (ASC05)**.

When the subcommittee is proposing the amendments, the subcommittee may seek input or advice from the Policies and Procedures Task Group (P&P) at any time. When the subcommittee is proposing the amendments, a draft version of the Constitution must be distributed to subcommittee constituents at least fourteen (14) calendar days before a vote on the amendments. If at least two-thirds (2/3) of the X12F stakeholders approve of a motion to move the proposed amendments forward for P&P review, the subcommittee chair submits the draft version to P&P per the requirements set forth in **ASC**

Subcommittee and Subordinate Groups (ASC05) section 4.1 Process for Revisions Proposed by a Group.

When this Constitution is being revised to align with new, clarified, or revised corporate or committee policies or procedures, the revisions are processed per the requirements set forth in ***ASC Subcommittee and Subordinate Groups (ASC05) section 4.2 Process for Policy-Related Revisions.***

3 Stakeholders and Constituents

The corporate policies on stakeholders and constituents are established in the **X12 Bylaws (CAP01)** and supplemented by **X12 Membership (CAP04)**. In addition, X12F establishes the following more restrictive policies which apply to the subcommittee and its task groups and work groups.

X12F is open to any X12 member with a material interest in the functions defined in the ***X12F Purpose and Scope (ASC50)***. X12F privileges rest with the X12 stakeholder, not the stakeholder's constituent(s). Once a member representative of the X12 member has represented the member as an observer at two consecutive X12F meetings, the X12 member is recognized as an X12F stakeholder. This attendance requirement may be waived by the X12F chair if an X12 member not recognized as an X12F stakeholder designates a participating X12F constituent as one of its member representatives.

X12F stakeholders are afforded X12F privileges at the beginning of the second of the two consecutive meetings that satisfy the attendance requirement. An X12F stakeholder's member representatives are entitled to recognition as an X12F constituent based on the member's stakeholder status.

The member representatives of an X12F stakeholder have the right to speak in meetings, participate in collaboration activities, propose and second motions. The member representatives of an X12F stakeholder that is entitled to vote, and hold appointed or elected positions per ***X12 Membership (CAP04)*** are eligible for those privileges. However, each X12F stakeholder is entitled to only one (1) vote on any X12F matter.

Once established as an X12F stakeholder, the X12 member must be represented consistently to retain stakeholder status. An X12F stakeholder who is not represented at three consecutive X12F meetings is considered to have resigned as an X12F stakeholder. Stakeholder status can be reclaimed by meeting the attendance requirements again in the future.

4 Observers

Any member representative of any X12 member is permitted to attend an X12F meeting; however, such individuals are only afforded speaking privileges upon invitation of the X12F chair and are not entitled to any other subcommittee privileges.

Non-member attendees of an X12 Standing Meeting may attend X12F sessions; however, such individuals are only afforded speaking privileges upon invitation of the X12F chair and are not entitled to any other subcommittee privileges.

5 Voting

X12F is not obligated to respond, formally or informally, to any comment presented with a vote on an X12F ballot.

6 Meetings

X12F meets at each X12 Standing meeting and conducts interim meetings as called by the chair between Standing meetings.

7 Roles and Responsibilities

ASC Subcommittee and Subordinate Groups (ASC05) defines the ASC's policies and procedures related to qualifications and election of subcommittee officers. In accordance with **ASC05**, X12F will have a chair and may elect a vice chair at the discretion of the subcommittee. X12F officer elections are conducted in advance of the Summer standing meeting of odd-numbered years. X12's officer titles are held by the X12F constituent. Elected officers may hold one or more appointed positions concurrent with their elected term of office.

The subcommittee's appointed roles are defined below. All appointees serve at the pleasure of the X12F chair, however, appointments shall be confirmed or reassigned every two years. Appointees may hold one or more appointed positions concurrently.

- The X12F chair appoints a constituent to serve as the subcommittee's primary PRB representative or serves in that position.
- The X12F chair may appoint a PRB alternate representative who shall represent X12F when the PRB primary representative is unavailable.
- The X12F chair may appoint a constituent to serve as X12F secretary or takes responsibility for the secretary's duties.

- The X12F chair appoints a constituent to serve as the subcommittee's primary X12J representative or serves in that position.
- The X12F chair may appoint an alternate to represent X12F when the X12J primary representative is unavailable.

The responsibilities of the chair, vice-chair, secretary, PRB representative and alternate, and X12J representative and alternate are established in **ASC Subcommittee and Subordinate Groups (ASC05)**.

8 Task Groups

Per the **X12 Bylaws (CAP01)**, the X12F chair may establish and disband standing and ad hoc task groups as necessary to accomplish X12F's work. However, X12F hereby elects to conduct all activities at the subcommittee level and does not establish task groups without a corresponding change to this Constitution.

9 Subcommittee Work Products

ASC Subcommittee and Subordinate Groups (ASC05) establishes a subcommittee's responsibilities and obligations related to its work products.

X12F hereby establishes the following subcommittee-specific rule to supplement the committee-level governance. All work items that move to X12J for review shall be evaluated by the X12F Technical Assessment Representative before being presented to X12F for a vote to move the work forward.

10 Terminology

To ensure consistent use of terms, definitions, and acronyms across X12 products and activities, X12 maintains the **Wordbook**, a comprehensive corporate glossary. The included terms are either proprietary to X12, cite definitions published by another authority, or represent common terms and definitions that are relevant to X12's work. The terms and definitions defined in the **Wordbook** must be used in X12 work products when applicable, without modification or revision. The **Wordbook** can be referenced online at wordbook.x12.org.

11 Document History

New versions of this document are effective on the Steering approval date.

Approved	Description
03/28/2023	V7: Minor rewording and revisions to align with ASC05 related to officers and elections.
11/09/2019	V6: Renamed to ASC51, reformatted per the Constitution template, removed redundant content per policy, converted to standardized content when applicable. (Approved by X12F on 9/24/17)
10/02/2015	V5: Revisions approved by X12F
11/19/2014	V4: Revisions approved by Steering
10/06/2011	V3: Revisions approved by Steering
09/28/2006	V2: Revisions approved by Steering
10/10/1999	Initial version approved.