

BOARD OF DIRECTORS ELECTORAL PROCESS AND TERM LIMITS: TEMPLATE LANGUAGE

Produced by the National Organization for Rare Disorders (NORD®)

OVERVIEW:

The National Organization for Rare Disorders (NORD) upholds good governance practices that support our rare disease organization members. Our membership standards have required bylaws showing that your mission and programs are compatible with NORD's goal of being patient-centered and advocating on behalf of patients in the rare disease community.

We require that our member organizations include details in their bylaws on the process for electing board members.

We recommend that our members include board term limits and a maximum number of consecutive terms a board member may serve. Regular turnover among board members encourages the board to pay attention to its composition, helps to avoid stagnation, offers the opportunity to expand the board's circle of contacts and influence, and provides a respectful and efficient method for removing unproductive members. According to BoardSource, seventy-one percent of nonprofit boards have term limits for board members. Term limits do not prevent valuable members from remaining in the service of the organization or the board in another capacity.

The language below is provided to assist you in incorporating good governance processes into your bylaws, while meeting our membership standards. The section in red is required in order to meet our qualification; all other language is provided to show context for where you may insert this language in your own bylaws.

ARTICLE 1 - BOARD OF DIRECTORS

- 1. Eligibility and Election** - **Directors shall be elected at a duly called meeting of the Board of Directors.** Unless the Board of Directors otherwise designates, there shall be no qualifications for Director. No such designation shall disqualify a Director in office when the designation is made. No Director may be employed by the Corporation or receive any form of compensation from the Corporation except the President and CEO serving ex officio in accordance with [insert the article number and subsection of your organizational bylaws if appropriate].
- 2. Number, Tenure, Removal, and Resignation** - The Board of Directors shall consist of no less than five (5) members. The number of Directors may be changed by vote of a majority of the entire Board, but no decrease may shorten the term of any incumbent Directors. Each Director shall be elected for a term of xxx (x) years with a limit of xx (x) consecutive terms¹. Length of terms and appointment dates may be altered by a majority decision of the Board to avoid a large number of terms expiring at the same time, or to provide continuity or maintain expertise; in general, the term of office for each Director should be staggered so that about one-third (1/3) of the total number of Directors stand for re-election each year. A Director shall hold office until the earliest of the expiration of his/her death, resignation or removal. Any Director may resign by filing a written resignation with the Secretary of the Corporation. Any Director may be removed, with or without cause, by a two-thirds (2/3) vote of the remaining Directors.
- 3. Vacancies** - In case of any vacancy on the Board of Directors, the Board of Directors may request the Governance Committee to propose a successor. The successor must then be elected by a majority of the remaining Directors and will serve for the remainder of the term.

¹ Recommendation for standard practice is three (3) years with three (3) consecutive terms.