



COLORADO WINE INDUSTRY DEVELOPMENT BOARD

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Operating Procedures of the Colorado Wine Industry Development Board

Approved 24 March 2017, edited by Billy Seiber on 3 May 2017

These are the operating procedures adopted by the Colorado Wine Industry Development Board (CWIDB), a Type I board established at § 35-29.5-101, *et seq.*, under the auspices of the Colorado Department of Agriculture (CDA). These procedures will serve as guidelines for the order and conduct of the CWIDB and its committees, as well as for the decision-making procedures for the CWIDB. These procedures are guidelines approved and adopted by the the CWIDB and in no way represent regulatory rules. The CWIDB may amend these procedures as it sees fit at any regular business meeting.

1. Robert's Rules of Order shall govern the standard operating procedures for all CWIDB meetings, votes and motions.
 - a. All votes by the CWIDB shall be determined by a voting majority, unless Robert's Rules, Colorado Statutes, administrative regulations or CDA policies require otherwise.
 - i. As an example of an exception to the simple voting majority requirement, Colorado's Sunshine Law (§ 24-6-402, *et seq.*, C.R.S.) require a two-thirds vote of the body (membership) to go into executive session. Refer to the statute cited above for the specific procedures for execution of an executive session.
 - ii. In the event a quorum is not present at a meeting of the CWIDB, the members present may operate as a committee of the whole, making recommendations to present for formal action by CWIDB at the next meeting of the board at which a quorum is present.
 - b. *Ex-officio* members are voting members, as determined by a vote of the CWIDB voting members on March 24, 2017.
 - c. Members may vote in person, by phone, by other approved electronic means or by proxy submitted in writing or electronically to the Chair or executive director prior to a meeting.

- d. In the event of executive session, two-thirds of the members must be present in person, not by proxy, to vote for the board to enter into executive session. All teleconferencing or other electronic, remote participation in a meeting must be terminated for the duration of the executive session, unless the chair and executive director determine that all electronic access to the meeting is restricted only to current board members and appropriate staff.
 - e. Committees may choose to operate by Robert's Rules or in a less formal manner.
2. The elected officers of the CWIDB shall consist of a:
- a. **Chair**, who runs the meetings, establishes the agenda for meetings in collaboration with the executive director, calls both regularly scheduled and emergency meetings in accordance with the Colorado Open Meetings or Sunshine Act (Title 24, Article 6 of the Colorado Revised Statutes), represents the CWIDB in consultations or meetings with state officials and other agencies, and signs official correspondence;
 - b. **Vice-Chair**, who assumes the role of Chair in the event of the Chair's absence or inability to perform his or her assigned duties. The Vice-Chair also serves as the fiscal liaison between the CWIDB and CDA administration, monitoring fiscal reports prepared by the executive director and CDA staff, meeting at least annually with the Chief Financial Officer or appropriate CDA staff member to review CWIDB finances, and ensuring that the proper information is communicated to CWIDB members in the executive director's fiscal reports.
 - i. The Chief Financial Officer of the CDA is the *de facto* treasurer, as all financial transactions for board business and expenditures from the Colorado Wine Industry Development Fund ultimately require the approval and signature of CDA's Chief Financial Officer or a designated representative before any money can actually be disbursed.
 - ii. The responsibility for monitoring all revenues, budget and expenditures rests with the executive director, who will make a fiscal report to the full board of directors at each regular business meeting.
 - c. **Secretary**, who may or may not record the minutes of each meeting, is the official signatory to certify that the Board has found the contents of a meeting's minutes to be accurate and has approved and adopted such minutes and is the person who records and monitors all motions made during meetings.
 - d. These three officers constitute the **executive committee**, which is not empowered to conduct CWIDB business on its own, but can assist or direct the executive director in implementing CWIDB projects previously approved by the full board when a quorum of board members cannot be assembled before action on a particular item must be taken.

- e. Election of officers generally takes place at the first regular business meeting of the CWIDB after July 1 every year or when new members have been appointed by the Governor's Office.
3. As the Colorado Wine Industry Development Act divides the membership of the CWIDB among specific regions or constituencies, it is critical that all board members attend every possible meeting, whether in person or by conference call or other electronic means. Attendance is crucial not only to be sure the appropriate points of view are represented in every vote and discussion, but also to ensure that a quorum of membership is reached for each meeting. Therefore:
 - a. Whenever a board member is absent from three or more meetings within a fiscal year (July 1 to June 30), the Chair, at his or her discretion, may request the resignation of the member.
 - b. Failing a resignation or other satisfactory resolution, the CWIDB may then elect to request a replacement appointment from the Commissioner of Agriculture and/or the Governor's Office of Boards and Commissions.
4. Standing committees of the CWIDB include:
 - a. Operating Procedures Committee: reviews guidelines in this document and other topics regarding board functions, policies, operations and procedures and makes recommendations to the full board for procedural changes.
 - b. Research Committee: reviews research proposals, recommends to the full board projects and expenditures to fulfill the board's statutory obligation to fund research, and works closely with any researchers or research institutions contracted by the CWIDB.
 - c. Marketing Committee: reviews marketing projects and ideas, works closely with marketing or PR firm(s) retained by the CWIDB, and makes recommendations to the CWIDB for expenditures to fulfill the board's statutory obligation to fund marketing and promotion.
 - d. Quality Committee: reviews quality-focused programs, projects and procedures and makes recommendations to the full board for projects and expenditures in pursuit of the board's objective to improve the quality of Colorado wines.
 - e. Legislative and Business Development Committee: a standing committee to discuss legislative and regulatory issues of interest to the CWIDB and Colorado's wine and grape industries as well as to make recommendations for projects to enhance the business climate and economic benefits of the wine and grape industries.
 - f. All committee chairs will be appointed members of the CWIDB, either voting or *ex-officio*, although other members of the wine industry outside the appointed board may serve on committees.

4.5 Committee membership selection process

- a. Any board member who wishes to serve on a committee may do so by volunteering to the Chair.
 - b. The CWIDB will also solicit additional industry members interested in serving on a committee by sending out e-mails about the opportunities and requesting a simple application form to be designed by the Chair and executive director.
 - c. The committee chair in collaboration with the Board Chair and executive director will select industry members to fill out committee membership to approximately seven people with a minimum of four.
 - d. If any committee member misses three or more meetings within a fiscal year (July 1 to June 30) the committee chair, at his or her discretion, may request the resignation of that member. Attendance includes in person, by conference call or other electronic means.
5. Any project, promotion, endeavor or other expenditure approved by the CWIDB must be determined by the Board to advance the entire Colorado wine industry in the long run even if it focuses on a limited number of wineries in the short term.
 6. When budgeting the one-third of “moneys in the fund,” which must be devoted to research/development and to promotion/marketing in every fiscal year pursuant to § 35-29.5-105(2), C.R.S., the CWIDB shall base the calculation on the total revenue from the last complete fiscal year for which records are available.
 - a. For instance, when drafting and computing the budget for Fiscal Year 2016, during the first four months of the calendar year for implementation on July 1, 2015, the calculations would have been based on the total revenue for FY 2014 that ended June 30, 2014 as the total revenues for FY 2015 would not have been calculated until July or August 2015, well after the 2016 budget would have been enacted.
 - b. For the purposes of applying the statutory division of expenditure, the Colorado Wine Industry Development Board adopted this following definition of “research and development”:
Experimentation aimed at the discovery and interpretation of facts, revision of accepted theories, or practical application of such new or revised theories while also expanding grape growing or winemaking especially through the application of data.
 7. Operational policies of the Colorado Department of Agriculture
 - a. The state vehicle leased or owned by the CWIDB may only be used for official state business. Only state-employees may drive the vehicle. Any passenger of the vehicle must be participating in official state business, such as but not limited to riding to a posted meeting of the CWIDB, participating in an approved CWIDB promotional or educational activity or providing service to the CWIDB and the Colorado wine industry on behalf of the CWIDB. Otherwise, the CWIDB must rent a vehicle using the state-issued credit card for official business involving persons other than those covered above.

- b. CDA has an official policy governing the service, consumption and promotion of alcoholic beverages in pursuit of the statutory charges of the Markets Division and the CWIDB. Essentially, when alcoholic beverages are poured by authorized staff or appropriate volunteers on state property, permission must be granted from the Commissioner, and the operation must conform to the Colorado Liquor Code. Pouring is only allowed for promotional, educational and research purposes.

Employees pouring samples at state sponsored events or on state property must have some kind of responsible alcohol server training.

8. CWIDB as a board will not donate wine to or participate in a public wine tasting that directly benefits any school or organization for children under the age of 21, even if only adults will be present at or recipients of the alcohol donated. The CWIDB may offer an exception to this policy to universities or other post-secondary schools.
9. Per a CWIDB vote on January 13, 2017, businesses licensed as a Vintner's Restaurant pursuant to § 12-47-420, C.R.S., will fall under the Wine Board's statutory mandate to "promote all wines produced or finished by a licensed Colorado winery." (§ 35-29.5-103(2), C.R.S.) As a result, the printed brochure and winery listings published on coloradowine.com and other CWIDB promotional programs will include Colorado's Vintner's Restaurants.
10. The CWIDB may receive grants, donations and gifts as part of its operating budget as provided at [§ 35-1-104\(1\)\(dd\), C.R.S.](#)
11. The fund balance reserve of the CO Wine Development Fund (#2260) is exempt from the statutory limits on fund balances for cash funds since the revenues come from taxes as provided at § 24-75-402 (2)(e)(IV), C.R.S.
12. Provided expenditures remain within the approved budget and available funds, the executive director or his designee has executive discretion to spend not more than \$2,500 in situations requiring action before a meeting of the full board can be arranged. In all situations, the executive director should consult with the chair, vice-chair and treasurer before committing to the additional spending whenever practical.
13. All board members and employees are expected to act in accordance with the standards of conduct as set forth at § 24-18-101, *et seq.*, C.R.S., and to comply with the Colorado Open Records Act (CORA) (§§ 24-72-203 and 204, C.R.S.) and the Open Meetings Law (§ 24-6-402 C.R.S.).