



COLORADO WINE INDUSTRY DEVELOPMENT BOARD

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Operating Procedures of the Colorado Wine Industry Development Board

Approved by CWIDB on 7 November 2019

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). See text below on [Operation of a Type I Transfer](#), for the statutory definition and authority of a Type I board.

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 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, unless stated otherwise in this document.
 - 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.
 - b. *Ex-officio* members are voting members, as determined by a vote of the CWIDB voting members on March 24, 2017.

- c. A *quorum*, being the minimum number of voting members who must be present and participating in a duly noticed meeting of the CWIDB either in person or via electronic or other approved means in order to transact the business of the CWIDB, is five (5) members.
 - i. Votes to enter executive session and some other motions may require more than the minimum quorum of members, as specified in Colorado Revised Statutes, Colorado Department of Agriculture Rules, this document and/or *Robert's Rules of Order*.
 - ii. In the event a quorum is not present at or during a meeting of the CWIDB, the members present or participating may operate under informal consideration to discuss CWIDB business. No binding action or decisions can be taken without a quorum present, and their recommendations would be presented to the full CWIDB at its next duly noticed meeting at which a quorum is present for consideration.
 - d. Members may vote in person, by phone, or by other approved electronic means. Proxy votes are not compliant with the Open Meetings statutes.
 - e. 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.
 - f. Committees may choose to operate by Robert's Rules or in a less formal manner.
2. § 35-29.5-104(1)(g), C.R.S. grants the CWIDB the power to "Appoint subordinate officers and employees of the board and prescribe their duties and fix their compensation."
- a. The elected officers of the CWIDB shall consist of:
 - i. **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;

- ii. **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.
- iii. 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.
 - 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.
- iv. **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.
- v. 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.
- vi. In the absence of one of the above officers to function as a presiding officer, the executive director or other staff will designate a present or participating member to preside over the meeting.

- iii. Marketing: 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.
 - iv. Quality: 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.
 - v. Legislation, Regulation, and Business Development: 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.
 - vi. Competition: a standing committee to review and approve recommendations from CWIDB staff regarding the rules and procedures for the Governor's Cup winemaking competition and to plan the public tasting of the winning wines.
- b. The full CWIDB will establish policy, priorities and direction for all committee and program discussions. The committee appropriate to each project or topic will generate recommendations of actions or projects for the CWIDB to consider. The CWIDB may adopt, amend or reject any committee/staff recommendations.
 - c. Committees will consist of CWIDB staff or contractors and at least one appointed CWIDB member, whether statutory or *ex-officio*. Additional members of the wine industry and the general public are also welcome to participate in the committee process.

5. Committee membership and meetings

- a. Any board member who wishes to serve on a committee may do so by volunteering to the Chair. The full CWIDB may vote on committee chairs or members in the event that more than one person volunteers for that position.
- b. All committee meetings will be posted according to Colorado Sunshine

Law requirements. Members of the general public will be welcome to participate in the discussion, as appropriate. However, membership in the committee is recognized as the CWIDB appointed board member(s) and CWIDB staff.

6. § 35-29.5-104(1)(e), C.R.S. grants the CWIDB the power to “enter into contracts which it deems appropriate to the carrying out of the purposes of the board as authorized by this article.”
 - a. Whenever the CWIDB approves a project or expenditure, whether through a stand-alone motion or through the approval of a budget for a fiscal year, the board delegates signature authority under this citation to the Commissioner of Agriculture or his/her designee.
 - b. In all instances, the CWIDB will comply with all applicable Department of Agriculture and state procurement and expenditure rules.
7. 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.
8. The CWIDB voted during the January 14, 2018 meeting to budget \$750,000 spending for Fiscal Years 2019-2021. The budget for Research and Development (Activity Codes 7702 “Wine Research” plus 7705 “Wine Quality”) as well as for Marketing and Promotion (7703 “Wine Mktg & Adv” plus 7704 “Wine Events & PR”) will both be set at no less than \$250,000 for the above period.
 - a. A portion of staff salary to be determined by the CWIDB will be budgeted as Marketing and Promotion since the majority of staff time is spent administering, managing and implementing marketing activities.
 - b. For the purposes of applying the statutory division of expenditure, the Colorado Wine Industry Development Board adopted the 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.
9. Operational policies of the Colorado Department of Agriculture

- a. Any state vehicle leased or owned by the CDA or the CWIDB can only be used for official state business. Only state employees can ride in and operate state vehicles, according to State Fleet policy. In situations when the CWIDB must transport non-employees, the staff must either rent a vehicle using the state-issued credit card for official business or use their own personal vehicles and request reimbursement for mileage.
- 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.

10. CWIDB as a board will not donate wine to or participate in a public wine tasting that directly benefits any primary or secondary school or organization for children under the age of 21, even if only adults over the age of 21 will be present at the tasting or recipients of the alcohol donated.
11. 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.
12. 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.](#)
13. 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.
14. 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.

15. 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.).
16. All board members and employees are expected to coordinate any legislative-related communications and positions on bills before the General Assembly as well as any other legislative-related matters with the CDA's Legislative Liaison who will in turn coordinate with the Office of Legislative Affairs pursuant to Executive Order 2018-021 signed by John Hickenlooper on August 22, 2018. Nothing in that Executive Order shall preclude a board member or employee from testifying or communicating a position for or against a particular bill or issue as a private citizen.
17. Operation of a Type I Transfer
 - a. § [C.R.S. 24-1-105](#)

(1) Under this article, a type 1 transfer means the transferring intact of an existing department, institution, or other agency, or part thereof, to a principal department established by this article. When any department, institution, or other agency, or part thereof, is transferred to a principal department under a type 1 transfer, that department, institution, or other agency, or part thereof, shall be administered under the direction and supervision of that principal department, but it shall exercise its prescribed statutory powers, duties, and functions, including rule-making, regulation, licensing, and registration, the promulgation of rules, rates, regulations, and standards, and the rendering of findings, orders, and adjudications, independently of the head of the principal department. Under a type 1 transfer, any powers, duties, and functions not specifically vested by statute in the agency being transferred, including, but not limited to, all budgeting, purchasing, planning, and related management functions of any transferred department, institution, or other agency, or part thereof, shall be performed under the direction and supervision of the head of the principal department.

- b. § [C.R.S. 24-1-105](#)

When the general assembly statutorily creates any board or commission in state government, such statutory provision shall specify a termination date for such board or commission, the appointing authority for each member, any requirement for senate confirmation of appointments, the

number and type of members, any per diem or allowance for expenses, the state department in which the board or commission shall be located, any explicit powers possessed by such board or commission, including but not limited to advisory authority, rule-making authority, or authority regarding the control of revenues, and any staffing, funding, or reporting requirements.