



Guidelines for Producing a Silent Auction

Congratulations on your decision to hold a fundraiser silent auction for your SHRM chapter or state council!

This guide is designed to assist chapters and state councils who are interested in raising funds through a silent auction to benefit the SHRM Foundation. Organizing and running a silent auction does not have to be a difficult task; a small and committed silent auction committee will do just fine.

This guide contains sample letters, flyers, forms and more. Please feel free to use any of this material and duplicate as you like. It is designed so you can plug in your own ideas without wasting time “reinventing the wheel.”

Thank you for your support of the SHRM Foundation. We wish you much success with your silent auction!

Overview: What is a Silent Auction?

A silent auction is one where people write their bids on a sheet of paper, usually in an area where the items up for auction are displayed, with little time pressure. People can go back to see whether they’ve been outbid, and then write in a higher bid if they wish. At an appointed time, you close the bidding and later announce the winners.

Silent auctions can be highly profitable fundraisers because, of course, you’ll be auctioning off donated goods. Many businesses understand that donating something to an auction brings them publicity, and you’ll be pleased to discover that many of them are willing to make a gift. Some of the best donations come from your own supporters—for example, a ride on someone’s sailboat, dinner at someone’s home, a round of golf at a private golf club or use of a vacation home.

Important Information:

State fundraising regulations vary by state. Please consult the National Association of State Charity Officials at www.nasconet.org for guidance.

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I. Auction Timetable

There are many steps to follow to make sure your auction is a success. Here is a sample time table for planning your activities:

6+ months prior to the event:

Decide to hold a silent auction. It sounds simple, but unless your entire group agrees with the idea to hold an auction, the necessary commitment for a successful auction is not there.

Set auction date. You may want to plan your silent auction in conjunction with a special dinner, awards banquet, or a meeting with an entertaining speaker or performer. Determine a date that you think will have the greatest participation. Summer is probably not a good time since many members may be vacationing; winter is also difficult since many are preparing for or recovering from the holidays.

4+ months prior to the event:

Organize auction committee. We recommend dividing the committee into two groups – one group will focus on procurement of auction items; the other group will focus on the actual arrangements and logistics of the auction. See page 4 for more information on putting together your auction committee.

3+ months prior to the event:

Begin procuring items. Send a letter to your entire membership and to local businesses, asking for contributions. A well-written letter with a contribution form can help you bring in items for your auction. See pages 4-5.

Begin publicizing the event. You can't publicize your Silent Auction enough! See page 6 for ideas for publicizing your event. Send invitations to your members.

1+ month prior to the event:

Promote the SHRM Foundation to your members. Many members may not be aware of what the SHRM Foundation does for the HR profession. Heighten their awareness as the Silent Auction draws closer, which will drive giving upward! See the SHRM Foundation's volunteer toolkit for ideas on how you can educate your members about the work of the SHRM Foundation.

Day of the event:

Set-up Silent Auction displays, bid sheets. Having tempting item descriptions and creative, attractive displays will help drive interest in your auction. See pages 6 and 7.

Hold event and collect payments.

Within ten days of the event:

Send winning bid payments to the SHRM Foundation. Each winning bidder will complete a donation form, and you will “batch” all of the donations together with a summary spreadsheet to submit to the SHRM Foundation. See page 8 for how your information should be organized.

Send a letter thanking item donors and winning bidders for their participation.

NEW! Requirements for Silent Auction Donations

In order to comply with IRS regulations, the SHRM Foundation requires that individual's donations, made as a result of a silent auction, must be accompanied by documentation that lists a good faith estimate of the value of the auction item to ensure that the donation acknowledgement letter accurately reflects the appropriate tax deduction amount.

The SHRM Foundation has provided a Silent Auction Event Worksheet to help volunteer leaders document donations received from individuals through a silent auction and the value estimate of the item that the bidder received in return. This worksheet can be found on the Foundation website under Volunteer Resources. If you should have any questions, please contact Michael Ressegue at michael.ressegue@shrm.org or (703) 535-6488.

II. *Your Auction Committee*

We recommend the following structure for an Auction Committee.

Auction Chair. This person is the leader of your committee. Their primary qualifications are a willingness to serve and the ability to lead. The first order of business for the Auction Chair is to assemble the committee and lead that committee to set an ambitious, yet realistic, goal for the auction.

Procurement Team. This is a group of individuals who will be tasked with soliciting contributions to the auction. You need people who are both friendly and persuasive for this task. Divide your membership list between each member of the procurement team for outreach. Brainstorm local businesses who may be prospective donors.

Arrangements Team. This team is responsible for three functions: publicity, setup, and banking/cashier. *Publicity* includes distributing flyers, sending invitations, writing articles for the newsletter, making announcements at chapter meetings. *Setup* is responsible for coordinating with the facility to arrange the event and making sure that

the tables are properly set and preparing displays and bid sheets for the items. *Banking/cashier* responsibilities include determining which methods of payment are accepted, totaling each winning bidder's bill and collecting money.

III. Securing Items for your Auction

The success of your auction starts with securing great items. Here are some tips:

Hold a brainstorming session on potential contributors. You'll certainly want to ask your members (and their employers) for silent auction items. Also approach local businesses who might share an interest in reaching the HR community.

Once the list of prospects is generated, take appropriate precautions to see that companies and individuals don't receive multiple solicitations. Divide the list among your committee members.

Send out a letter to each prospect. See Appendix A for a sample letter. Follow up within 2 weeks with a personal phone call. Try to vary the items. Have high-priced and low-priced items. You may want to suggest items they can contribute, such as:

- Leather briefcase; sterling silver pen set
- Vacation packages
- Restaurant gift certificates
- Fruit-, flower-, or wine-of-the-month club
- Gift certificates for spa treatments or other special escapes
- Watches/jewelry
- Lunch or dinner with a celebrity
- Back-stage tickets or VIP passes for a show, concert, or sporting event
- Sports memorabilia, such as an autographed ball or jersey
- Original or limited edition artwork and antiques

You may also want to try creating packages—for example, offer “A Day on the Avenue” and ask merchants along a popular commercial street to donate certificates (spa visit, lunch, movie tickets and a latte).

Keep in mind that “tangible” gifts may generate a more exciting auction night environment than gift certificates. Gift certificates may bring in only the amount on the certificate, but a tangible gift is more likely to bring in a donation that exceeds its real value.

The bottom line: Anything YOU would like enough to offer a serious bid on will be a good silent auction item!

Make a master list of all of the items. It is recommended to complete a donation form for each item. See Appendix B for a sample. Make sure the form is filled out completely; the address is important so a thank you letter can be sent following the auction. The item value is essential for establishing the bid amounts. Keep track of who asked for the item (if you are going to do this again next year, it is nice to have the same people go to the same businesses each year). Assign a number to each item to make it much easier to keep track of everything.

Arrange to pick up the item prior to the auction. Members may offer to bring the item to the event, but it's a better idea to get the items ahead of time to minimize the possibility of the item not making it to the event.

IV. Publicizing the Auction

The success of your auction depends on your ability to promote it. Here are some tips:

Pre-auction publicity. Your advance publicity should be geared toward building excitement for the auction. Let people know what they can expect. Mention some of the items that will be available for bid. Be sure to include when, where, and why the auction is taking place.

There are many ways to promote your auction. See Appendix C for a sample flyer, and Appendix D for a sample article you can place in your chapter newsletter.

On-site publicity. If your silent auction is taking place within another meeting or event, consider promoting your silent auction in the following ways:

- Any registration packets should include information about the auction.
- The people staffing the meeting registration table should mention the auction to each person registering, and ask them to visit it.
- Announcements concerning the auction should be made periodically during the meeting or event.

You may want to consider printing and distributing an auction catalog that contains the auction rules, payment options, information about the SHRM Foundation, and full descriptions of all of the available items.

V. Setting Up for the Auction

Focusing some time and effort on your auction setup will make the event run smoothly and will raise more money! Here are some tips:

Auction Item Placement. Consider where your Silent Auction will take place. You'll want your auction to be near the center of the action, in the midst of your highest traffic flow areas—for example, near your meeting registration area, or in the middle of the room at your reception. Consider the timing of your silent auction—you may want to allow people to drop in before and after meals or in between other sessions of your event. Give your flashiest items prominent placement to lure your bidders in.

Write Tempting Item Descriptions. See Appendix E for some samples. Each auction item needs to have a full and complete description: what it is, what purpose it serves, what's included with it, what's unique about it, its retail value, any limitations (e.g., expiration dates) and who donated it.

Use Attractive Display Techniques. Having an interesting and attractive display will entice your members to take a look! If you have a gift certificate for a restaurant, show it off with a placemat and place setting, complete with silverware and wine glasses. Tickets to a game could be displayed with a team program, jersey, or ball on the table to draw attention. Jewelry could be displayed on a piece of attractive velvet or felt. Artwork should be on an easel. Going the extra effort for a creative display will shine the best possible light on your item and could result in increased bids! However, always keep in mind to not invest more funds in the displays than what you are hoping to raise in winning bids!

Bundle Smaller Items. When accepting donated items, you may receive several smaller items that are too small to “stand alone.” Bundle smaller items – candles, bath items, and spa gift certificates could be combined into a relaxation gift basket. Golf balls, hats and sporting goods could go into a sports gift basket. Together, the items will bring in more revenue than if they were auctioned off separately.

Create Bidding Sheets. Establish starting bids and bid increments for each item. A general rule of thumb is to start the bidding at 50% of the stated value of the item. The bidding increases in increments of about 10% of the value (round up). For example, if the stated retail value of the item is \$50, the bidding should start at \$25 and increase in increments of \$5. Create bidding sheets for each item. See Appendix F for a sample. Include the name of the item, how much it is worth, and who it was donated by in the item description field.

Bidding Procedures. It is best to set rules on bidding procedures and post these rules so there are no questions or hard feelings. See Appendix G for some sample rules.

VI. Ending the Auction - Collecting Money

Before the auction:

- Decide how you will announce winners.
- Print winning bidder donation forms.
- Have a cash box to collect money and make change as needed.

End the auction. Closing the silent auction can be tricky. There may be several people bidding on the same items right up until the closing time. To prevent a situation that is perceived as unfair, announce in advance what time the bidding will end. Choose one person's watch to use and put them in charge of the time. Make a few announcements ("Five minutes left to bid!"), and close the bidding at exactly the time advertised.

Volunteers should be placed strategically around the room, and should immediately start picking up bidding sheets and the pens when the bidding ends. They should watch to see that no one adds a bid.

Set up your auction check-out area. Have your volunteers collect the bid sheets. At the check-out area, determine the winners' names and try to group items that are won by the same bidder together. Then one-by-one, call the winning bidder for that item so they can check out. You could also have a PowerPoint presentation pre-loaded, so you can drop in winners' names and scroll that on a screen during the event, or you can create a poster with a large dry-erase board or poster board on an easel.

Collect money. You will collect all money for your Silent Auction and "batch" it together in one envelope that is sent to the SHRM Foundation within 10 days of your event. To simplify processing, each winning bidder must complete a donation form. These forms are available from the Volunteer Resources page on the SHRM Foundation's website.

Cash—Have cash on hand to make change as needed. Deposit the cash you receive into your chapter / state council bank account and write a check (payable to "The SHRM Foundation") for the exact amount of the winning bids you received in cash. Do not mail cash to the SHRM Foundation.

Check—Your winning bidders should make their checks payable to "The SHRM Foundation". (**PLEASE NOTE:** If you would like your silent auction's proceeds to count toward your SHAPE requirements, all checks must be made payable to and deposited in your chapter or state council account and then payment made from that account).

Credit Card—The SHRM Foundation will process credit card donations as long as they are not being requested for use in SHAPE qualifications. For more questions

on accepting credit cards for SHAPE requirements please contact Mike Ressegue, Development Coordinator, at michael.ressegue@shrm.org before your auction. We accept Visa, MasterCard and American Express. The winning bidders must completely fill out the donation form in order for the payment to be processed—name and contact information, credit card number, expiration date, and their signature and the date of the transaction.

Submit money to the SHRM Foundation. Within ten days of your event, send your “batch” of payments to the SHRM Foundation. Send everything to: SHRM Foundation, P.O. Box 79116, Baltimore, MD 21279-0116. Your batch must include:

Cover letter— with the name of the auction sponsor (chapter or state council name, and chapter number if applicable), the contact information for the auction organizer, and the date of your event.

Silent Auction Event Worksheet—You will use the donation forms that each donor filled in to create this spreadsheet that summarizes all of the information in one place. This spreadsheet provides the name of the winning bidder, the contact information, SHRM ID number, the winning bid amount, the item that was won, and the value of the item.

Donations—check and credit card payments with their attached donation form.

*We recognize that this is a lot of logistical work to properly batch the payments together but we request this process to ensure that all donors are properly recognized and that everyone walks away from the auctions a happy customer!

VII. Post-Auction Follow-Up

Whew! The auction is finished and hopefully you have met or exceeded your fundraising goals. You’re almost done.

Here are a couple of loose ends to tie up before you move on to your next project:

- Send thank you letters to everyone who contributed an item to the auction (see Appendix I).
- Send thank you letters to the winning bidders (see Appendix J).
- Hold a wrap-up meeting with the auction committee to discuss what worked well and what could be changed for your next auction.

Appendix A – Solicitation Letter

Date

Name

Company

Address 1

Address 2

City, State Zip

Dear Name:

The *(name of chapter / state council)* invites you to participate in the *(xth annual)* Silent Auction, which will take place on *(date)* at *(location)*. Proceeds benefit the SHRM Foundation, a nonprofit organization that provides scholarships, research and education to advance the HR profession.

(If applicable:) Last year's Silent Auction featured *(xx)* items and raised more than *(\$x,xxx)* to support the SHRM Foundation. The success of the Silent Auction depends on the creative and interesting items we receive as donations for bid. *(Personalize as appropriate—highlight their participation last year, list a few of the companies that had participated and invite them to join)*

Don't miss out on this great opportunity to demonstrate your company's support of the HR profession. Your company will receive acknowledgement of your participation in the Silent Auction in the *(fill in here – your newsletter, or event program, or other mailing to your members in advance?)*. We will also highlight your company's participation *(fill in here—will you have a sign made listing all item donors? Scroll a PowerPoint listing of donors?)* We anticipate *(xxx)* members will be in attendance at the *(xxx)* meeting, representing companies such as *(fill in)*.

Thank you in advance for your consideration! In the meantime, if you have any questions about the *(chapter/state council)* or the Silent Auction to benefit the SHRM Foundation, please contact me at *(e-mail)* or *(phone)*.

Sincerely,

Name

Title (Silent Auction Chair?)

Appendix B –Item Donation Form

Silent Auction Item Donation Form

Please reply by (date). Return this donation form to (contact information).

Item Description

Donated Item: _____

Estimated Item Value: _____

Detailed item description of 50-100 words. This information will be used for the Auction Catalog.

How does the winner redeem the item? _____

What is the expiration date to use / redeem this prize? _____

Donor Information

Donor Name: _____

Who should we contact for questions regarding this donation? *Acknowledgement letters will also be sent to this person.*

Name: _____ Title: _____

Company Name: _____

Address: _____

Phone: _____ E-mail: _____

Thank you for supporting the SHRM Foundation!

Your chapter / state
council logo here



SUPPORT THE (Chapter / State Council)'S SILENT AUCTION

Proceeds benefit the SHRM Foundation -- bid and win!

The Silent Auction will feature **more than XX great items:**
(name specific items or insert your own categories here, such as...
Hotel Stays and Trips | Electronics | Home | Jewelry | Gift Cards
| Professional Development | Unique Experiences)

**Silent Auction takes place
on (date) at (location)
(other details or contact information)**

Thank you for your support! Proceeds benefit the SHRM Foundation and support academic research, scholarships and educational programs for the HR profession. We are also looking for volunteers to join the Auction Committee—please contact (name, contact information).

Appendix D –Newsletter Article

You will want to promote your silent auction in advance. One way to do this is to be included in your chapter's or state council's newsletter and/or website. Be sure you are aware of print deadlines!

Silent Auction to Benefit SHRM Foundation

Mark your calendar and make plans to attend the (chapter or state council name)'s (first / second / third / etc.) annual silent auction! The silent auction will be held on (date) at (location) during the (part of another meeting or special event?). (Add any other logistics – room location, hours, etc.)

Proceeds from the silent auction will benefit the SHRM Foundation, a nonprofit affiliate of the Society for Human Resource Management. The SHRM Foundation supports academic research, scholarships, and educational materials that advance the HR profession.

(Optional: Highlight some of the great items that will be available.)

(Optional: Last year we raised over \$xxx for the SHRM Foundation, and with your help we can raise even more!)

(Optional: We are still collecting items for the auction. If you or your company would like to contribute to this worthwhile event, please contact (name, contact information).)

Appendix E—Interesting Item Descriptions

These are some examples of item descriptions used by the SHRM Foundation for our printed silent auction catalog. You can see how we have written the descriptions to really entice people to bid! In many cases, language was just borrowed from the item's website. With a little bit of effort and creativity, you can really increase the bidding!

Romantic Weekend Adventure in Sedona

The romance and beauty of Sedona, Arizona, is yours for the taking with this weekend getaway for two! Stay for two nights at the Apple Orchard Inn, Sedona's most romantic bed and breakfast, voted "Best in the West" by *Sunset Magazine*. Enjoy four-diamond lodging and natural beauty on two wooded acres. It's just a 10-minute walk to vibrant uptown Sedona with its variety of art galleries, shops and restaurants. Your package includes the rugged adventure of a thrilling 4 x 4 tour for two on the Diamondback Trail with Pink Jeep Tours. You'll view stunning rock formations as you snake through the Sidewinder Trail to plunge into the depths of Diamondback Gulch on this exciting two-and-a-half-hour off-road tour. Expiration: December 15, 2008. *Donated by the Arizona SHRM State Council.*

Na Hoku Floating Plumeria Necklace

Na Hoku is the oldest and largest jewelry manufacturer in the State of Hawaii. A profound love for the islands and a deep sense of tradition is evident by their passion for fine jewelry making. The Na Hoku Flowers of Hawaii collection captures the essence of island flowers, and this beautiful 17" *Floating Plumeria* necklace features the lovely plumeria flower, which is native to the warm tropical areas of the Pacific Islands. Beloved for its elegant simplicity and delicious fragrance, the plumeria flower is often worn tucked behind one ear or shared with a loved one in a colorful flower lei. Its five petals symbolize sincerity, faith, devotion, aspiration and surrender. *Donated by the Hawaii SHRM State Council.*

Silver iPod Nano

The iPod is the world's most popular digital audio player in history, with over 150 million units sold. The iPod has been upgraded many times, with each revision called a "generation"—and each new generation has more features and refinements, while typically being physically smaller and lighter than its predecessor. This iPod Nano sports a larger display that's 65 percent brighter than prior generation iPods. An enhanced interface offers a whole new way to browse and view music and videos. Enjoy up to five hours of TV shows, movies, video podcasts and more! In anodized aluminum and polished stainless steel, the iPod Nano is now 6.5 mm thin, weighs just 1.74 ounces and features an even more attractive design. *Donated by the Tennessee SHRM State Council.*

Appendix F – Bidding Sheet



(name of State Council / Chapter) Silent Auction (date)

| Item #xx. | (Description of Item) |
|-----------|-----------------------|
|-----------|-----------------------|

Starting bid: \$ (amount)

Bid increment: \$ (amount)

| Bid Number | Last Name | Bid Amount |
|------------|-----------|------------|
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Appendix G— Bidding Procedures / Rules

Here is some sample language we recommend you provide to your silent auction participants. This could be included in advance materials (such as a printed auction catalog), created into a poster that is on display or available as a flyer. Do not just “cut and paste” this verbatim—read it carefully to be sure it reflects your auction’s procedures.

How to Bid

Take some time to browse the auction items displayed. Read the item descriptions carefully so you understand what is included (such as any restrictions on redeeming the prize). The item descriptions on the table represent the most current information available, so in the event of a discrepancy between the table and advance materials (e.g., a printed catalog), the item description on the table is correct. If you have questions about any of the items, please ask a silent auction volunteer.

When you see an item you like, write down a bid by printing your last name, contact information, and the amount of your bid. When bidding, please be aware that bids must rise by at least the increments specified, generally \$10.00 or \$20.00. For example, if the bid increase is \$10.00 and the last person bid \$100.00, you may bid \$110.00 or more. In addition, you may increase the bid by more than the bid increment if you would like to bid higher to ensure you win the item.

Once you have bid on an item, check back periodically to see whether you have been outbid. You will then have the opportunity to bid again. Keep in mind that any bid you record could end up being the final bid. When you write down an amount, you are committing to buy the item at that price if you are the winning bidder.

Winning an Item

The highest bidder on each item at 9:00 p.m., when the auction closes, wins that item. A list of winning bidders will be posted, and the checkout table will open at approximately 9:15 p.m.

If you win an item, we ask that you pick up your items and pay for them prior to leaving the reception. Winners will receive the item or gift certificate with complete instructions on how to redeem the prize. We accept cash, checks and the following credit cards: Visa, Mastercard or American Express.

All sales are final and proceeds benefit the SHRM Foundation. Any amount paid above the suggested retail value is tax-deductible to the purchaser.

Appendix H—Thank You to Item Donor

Date

Name

Company

Address

City, State Zip

Dear (name):

Thank you for your generous donation of (xxx) for the (your chapter or state council name)’s Silent Auction held on (date).

With your support, the Silent Auction featured (xxx#) items ranging from (xxx) to (xxx) [e.g., – travel excursions to electronics] and raised (\$x,xxx). (Add more here if you would like – e.g., “We doubled the amount raised last year!” or “We surpassed our fundraising goal of \$xxx!” or anything else noteworthy.)

As you may recall, the proceeds from the Silent Auction benefit the SHRM Foundation, a nonprofit affiliate of the Society for Human Resource Management. The SHRM Foundation supports academic research, scholarships, educational materials and practitioner resources to advance the HR profession.

Your support has enabled the (your chapter or state council’s name) to financially support the SHRM Foundation. We are planning to hold this Silent Auction again and hope we can count on your support next year.

Thank you again for your generosity!

Sincerely,

(your name)

(your title – perhaps Silent Auction Chair)

Appendix I—Thank You to Winning Bidder

Important note: The “official” acknowledgement letter of a donation is sent from the SHRM Foundation when we process their payment. Your thank you letter should not include the standard IRS language (the tax-deductible portion of their gift, etc.), and does not even need to mention the amount they contributed— that would duplicate the official thank you letter we send from here. Instead, your letter is a thank you from the chapter or state council, thanking them for their participation and support.

Date

Name

Company

Address

City, State Zip

Dear (name):

Thank you for participating in the Nebraska SHRM State Council’s Silent Auction held on (date). With your support, the Silent Auction raised (\$x,xxx) for the SHRM Foundation! (More here if you would like – e.g., “We surpassed our fundraising goal of \$xxx!” or “This was our most successful Silent Auction ever!” or anything else you’d like to share.)

As you may already know, the SHRM Foundation is a nonprofit affiliate of the Society for Human Resource Management. The SHRM Foundation supports academic research, scholarships, educational materials and practitioner resources to advance the HR profession. This work is made possible by contributions made by SHRM chapters, state councils, companies, organizations – and individuals like you.

We hope you enjoyed the auction and will plan to participate again next year.

Thank you again for investing in the future of the HR profession!

Sincerely,

(your name)

(your title – perhaps Silent Auction Chair)