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How to Run a Successful Silent Auction (Part I)

by Joe Garecht

Many non-profits have turned to silent auctions either as stand-alone events, or as a way to maximize the revenue from an ongoing fundraising event. I just finished running a major silent auction for an organization I am involved with, and wanted to pass along some lessons I learned during the process. In the first part of this article, we'll look at the best ways to prepare for a silent auction. In the [second part](#), we'll look at some tips for running the event and maximizing revenue.

Should You Have a Silent Auction?

The first question your organization needs to ask is: is a silent auction right for you? Keep in mind that in order to raise a lot of money, your silent auction will either need to have a large number of items to auction off, or a ton of attendees bidding on a few high-end items.

Either way, a silent auction is hard work: either you have to spend lots of time digging up a few large items and lots of well-heeled attendees, or you have to find a lot of small items and track them throughout the process. No matter how you cut it, silent auctions are time and manpower intensive. Before planning your auction, decide if the return is worth the investment of time, people, and resources for your organization.

Also, remember that silent auction events generally take a number of years to hit full stride. Your first year, you may only auction off 5-10 items. As retailers and business owners get involved with your event year after year, more and more of them will become "regulars." The particular event I just completed work on started ten years ago with just six silent auction items. This year, the silent auction featured 200 items being bid on by 400 event attendees.

If you're going to have a silent auction, be ready to commit to holding a silent auction event each year for a few years until it hits full steam. *(If you're not sure how to run a good fundraising event, with or without an auction, read our [10 Steps to a Successful Fundraising Event](#)).*

Finding and Equipping Your Auction Committee

One of the most important things you can do to ensure the success of your silent auction is to put together a strong auction committee. The auction committee is tasked with one thing and one thing only: helping you find items to auction off at your event.

If you can, try to find 10-30 people who are willing to solicit auction items from their friends, family, colleagues, vendors, and more... Appoint one of the members as the auction chair, and a couple of other members as deputy chairs, and hold regular meeting to encourage the committee in their work.

You should also provide your committee, and everyone helping out with your auction, with a packet of materials they can use to solicit items. This packet should include flyers / brochures / tri-folds on your organization, event invitations, a description of the event, silent auction pledge forms, and a list of good silent auction items to help get the process started. *For some ideas on silent auction items that sell well, read [Creative Silent Auction Ideas for Your Event](#).*

Letters, Calls, and E-mails

Once you've got your committee out working, it's time for your non-profit to do its part of the silent auction work. Have some volunteers or staff members pull together lists of local retailers, complete with contact information. This information may be gathered online or from the yellow pages. Be sure to include the following types of businesses:

- Restaurants and Pubs
- Hotels
- Golf Courses
- Jewelers
- Museums and Amusement Parks
- Sports Teams
- Boutiques
- Salons and Spas
- Any other retailers or businesses your event guests may be interested in

Then, write a great letter which explains (in one page or less) what you are asking for (a silent auction donation), what your organization does, what the event is, why the event is important, and how someone can make a donation. Include a form that can be mailed or faxed back, and offer to pick up silent auction items directly from retailers, if they are donating an item other than a gift card / gift certificate.

Once your lists and letters are complete, do a mailing on your organization's letterhead, and include a return envelope to allow your donors to mail back their gift cards and pledge forms. Send this letter via snail-mail because a real letter on letterhead conveys the idea that you are a real organization in a way that e-mail does not. If you can't find a postal address, send an e-mail. E-mail and phone calls can also be used to follow up with prospective donors who have received your letter but have not responded.

You'll be surprised to see how generous your local retailers are towards your organization. Be sure to make all pick ups promptly and to respond to all requests for additional information as soon as possible.

Tracking Donations and Entering Information

If you're expecting to hold a silent auction of any appreciable size, save yourself some time and effort at the end of the game by tracking donations properly right from the start. My suggestion is to create a master spreadsheet for your silent auction that you will use to enter all information on donations, send thank you letters, prepare bid-sheets, etc.

First, assign each item that comes in a number. You can either do this sequentially (1,2,3,4...) or, if you think you'll have a larger auction, set up categories for the items you receive (100-199 Restaurants, 200-299 Entertainment; 300-399 Sports Tickets, etc...)

Then, enter the following information into your spreadsheet for each item:

1. The item's number
2. The item's name ("Tickets for 4 to the Ballet)
3. The item's description ("Four great seats to the Ballet on December 1st to see the Nutcracker. Section B, Row 2, Seats 4-7")
4. The item's donor
5. The donor's contact information
6. The item's retail value
7. The item's starting bid

I suggest you enter all this information *when you receive the item*, and then mark the item with the item number and file it away. Then, based on the spreadsheet you create, you'll be able to do the following, all through simple mail merges:

- Create three-part carbonless bid-sheets for the auction that include the item name, description, value, donor, and starting bid.
- Create an auction preview book listing items up for auction and presented to event registrants.
- Create and send accurate thank you letters to donors.

[Click here to go to the second part of this article](#), where we discuss how to maximize revenue at your silent auction event and how to run the auction smoothly and efficiently.

For an even more detailed walk through of silent auctions, including complete step-by-step instructions, check out [The Silent Auction Handbook: A Complete Step-by-Step Guide to Holding Successful Silent Auctions](#).



Related Articles from The Fundraising Authority:

- [Fundraising Authority Podcast #28: Quick Rules for Successful Silent Auctions](#)
- [How to Run a Successful Silent Auction \(Part II\)](#)
- [5 Great Silent Auction Ideas for Your Next Event](#)
- [How to Find Amazing Items to Sell at Your Next Silent Auction \(Part II\)](#)
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{ 38 comments... read them below or [add one](#) }



Teresa [May 10, 2011 at 11:32 am](#)

Thank you for this very helpful article. I have been asked to create and run a silent auction for a very young charity that has never had an event like this and I have never done a silent auction before, so this will be my guideline!



Carol Chamberlain [October 19, 2011 at 2:40 pm](#)

Thank You for sharing this helpful information. We are about to hold our first silent auction.



Jessika Welcome [January 15, 2012 at 3:33 am](#)

I'm curious how much seating you would suggest providing for a four hour auction event (7-11 p.m.) with buffet-style heavy hors d'oeuvres for approximately 100 people?



Joe Garecht [January 16, 2012 at 10:45 am](#)

Jessika,

Great question. I would suggest having seating for between 25-50% of the people you expect to attend. Don't have seating for everyone... having seating for 50% or less of the attendees will encourage people to walk around to see the auction items.

Joe



Karen Yeselavage [March 4, 2012 at 2:08 pm](#)

Is it necessary to thank the people who had the winning bids and paid us for the items? We have sent thank you's to the individuals and businesses that donated the auction items. However, since the winning bidders are getting something in return for their check written to our charity, we weren't sure if it was necessary to send a thank you note to them. Thanks for your help!



Joe Garecht [March 6, 2012 at 10:18 am](#)

Karen,

Thanks for your comment. I generally suggest sending a thank you note to the bidders as well — it's a great opportunity to get some new people involved in your work. Even if you don't strictly have to send them a note, take the opportunity to start building a relationship with them. Thank them, include information on your charity, and invite them to an upcoming non-ask event.

Joe



Mimi [November 23, 2012 at 4:39 pm](#)

I enjoyed reading your article!

I have been asked to run a silent auction at the school I work at. We are thinking of assembling themed gift baskets for the event. At the moment we are thinking of creating a hot cocoa lovers basket, Holiday candy basket, etc. I have never run anything like that before. I wonder how much a basket would normally be bought for (5-6 items in a basket). I am having trouble figuring out how many baskets and donations we should try to get in order to meet our fundraising goals.

Thank you for your help!



Joe Garecht [November 25, 2012 at 10:01 pm](#)

Mimi,

Thanks for your comment. I would suggest that you add up the retail values of all of the items in the basket (including the basket, if it's a nice item) and then start the bidding at about 50% of the total value. I would suggest that you're looking to use baskets that start bidding at \$15+, with \$25+ for bid starts being even better.

How many items you should have to reach your goals depends on the items you can source and your fundraising goal. Are you using sponsorships? Sponsors are one of the BEST ways to reach your goals without having to find 100's of auction items.

If you have any other questions, feel free to e-mail me privately through our contact page and I would be happy to respond.

Thanks,
Joe



Trish [January 11, 2013 at 5:29 pm](#)

How would you price items that are "priceless" to someone? Like a photo of someone, a handmade quilt, etc... Thanks!! Love your site!



Joe Garecht [January 14, 2013 at 3:16 pm](#)

Trish –

Thanks for your question. I think it depends on the group that you will have in the room. For example, if you have a really well done handmade quilt but it's a \$25/person family event, you'd price it differently than if it was a \$1,000 per table business-focused gala.

Who are the people that will be there, what can they afford, and what items will they be most attracted to?

Joe



Pam Osborne [April 27, 2013 at 10:32 am](#)

I need to know what to include in the Thank you letter. Do I put what the item is worth for tax purposes? Do I include what is sold for? I tried to find this from the IRS, but I don't seem to find any rules on this.



Susie [April 28, 2013 at 7:35 am](#)

You have some excellent suggestions, presented clearly. Thanks!

I'm wondering how to get more people to RSVP and attend a silent (and live) school auction event. People these days are drowning in emails and requests for donations, so it can be hard to connect with them for an event like this. What are some suggestions for maximizing a positive response rate and filling a room? (You might want to add this information to your article, because often far more effort is made to get auction items but not bidders, and I think it's a shame when an event has an amazing catalog but not enough attendees.)



john [April 29, 2013 at 4:15 pm](#)

Great articles, We do a silent auction every year, last years event was about 75 baskets and raised almost 15000 dollars for about 1000 people. I am wondering if you recommend using a txt bidding service. Wondering if it is worth the cost, I would think it would increase the bidding.



Joe Garecht [May 1, 2013 at 3:15 pm](#)

Susie,

Thanks for your question. I have found that the best ways to fill the room are:

(a) to set up an event committee with committed supporters who agree to help get people to come

(b) to send out paper invitations, followed up by e-mail invitations

and (c) to follow up with phone calls encouraging people to come.

(a) is really key... the more people you can get on a host committee or event committee who are *committed* to the event, the better off your event will be in terms of fundraising and attendees.

Joe



Joe Garecht [May 1, 2013 at 3:16 pm](#)

John,

Thanks for your question. So far, I have not participated in any silent auction events where text bidding has made a noticeable difference in the number or amount of bids.

Joe



Joe Garecht [May 1, 2013 at 3:18 pm](#)

Pam,

Thanks for your question on receipts. Check out this great resource page on charitable tax acknowledgements from the National Council of Non-Profits (USA) – <http://www.councilofnonprofits.org/resources/resources-topic/fundraising/acknowledging-gifts-and-contributions>

Joe



Aloysius [May 3, 2013 at 1:57 pm](#)

Thanks for all the tips and info provided on this site. I have less than a month to go and I have to put together and manage a silence auction by myself. My question is how do I go about writing a silence auction letter? and how much different is a silence auction letter vs a sponsorship letter? I'm very nervous and I could be over thinking the process. Thanks for your time and advice



Joe Garecht [May 9, 2013 at 12:12 pm](#)

Aloysius,

Thanks for your question. There's no need to over-think it. Writing a silent auction letter need not be stressful – just explain the organization and why it is important, introduce your event and outline the silent auction, then ask for a donation of an item, service or gift card. There's a sample letter in our Silent Auction Handbook kit (<http://www.thefundraisingauthority.com/silent-auction-guide/>) if you'd like a template to work off of.

Thanks,
Joe



Nicole [June 13, 2013 at 4:07 pm](#)

This was very helpful as I begin to decide if a silent auction is right for my group. Thanks for all of the tips! I have one question about gathering donations. Do the vendors get any kind of tax write off and if they do, do I need to provide a form or any information for them? Thanks you!

Nicole



Joe Garecht [June 14, 2013 at 9:23 pm](#)

Nicole, thanks for your question. Rules vary by country. In the US, the non-profit should give the people who donate goods for the silent auction a note that acknowledges the item and describes it, but should not list a value to the item. It is up to the donor and his / her accountant to decide whether this gift qualifies for a charitable deduction, business deduction, or neither. *Not intended to be legal or accounting advice. Check with your organization's accountant and with IRS documentation*

Joe



Dawn [July 25, 2013 at 4:00 pm](#)

I was wondering if you were to donate something to a museum, and then the museum holds a silent auction and sells off that donated stuff, is that illegal?



Joe Garecht [July 26, 2013 at 7:54 am](#)

Dawn,

Thanks for your question. It depends on what your gift agreement was with the museum. Did it stipulate that they would hang on to the donated items?

Joe



Tess [November 15, 2013 at 5:45 pm](#)

I recently attended a basket auction for a local charity where people purchased tickets and then dropped them in little boxes in front of the baskets they wished to "bid" on. The auction ended at 5PM and the drawing was held after that with only the people working the auction in attendance (the head of the charity would call and let you know the next day if you won anything). Is this a normal practice for this kind of an auction and would you recommend it?



Joe Garecht [November 18, 2013 at 5:59 pm](#)

Tess,

Thanks for your question. No, the normal practice for this type of auction is to hold the drawing in public sometime before the end of the event. This leads to better transparency, more people participating, and more people sticking around until the end to see who won. Normally, you don't need to be present in order to win, but the drawing is in public, in case you WANT to be there.

Joe



Maggie [May 30, 2014 at 5:46 pm](#)

Is there a database or management system that people have found helpful in storing and creating information for their auctions? I am looking for a way to enter attendees and auction items that would also allow me to create bid sheets, thank you letters and mailing labels. Any ideas?



Joe Garecht [May 30, 2014 at 11:01 pm](#)

Maggie,

Thanks for your question. There are a number of software systems that provide these services. I have not used any of them for my silent auctions, so I do not feel comfortable recommending or linking to any here, but if you Google "silent auction software" a number of robust options appear.

Joe



Elly [June 17, 2014 at 9:53 am](#)

We are a small LLC that is trying to raise money to become a non-profit, are we allowed to run a silent auction to raise that money?



Joe Garecht [June 17, 2014 at 1:22 pm](#)

Elly,

Thanks for your question. My advice is that you should speak with a non-profit attorney to discuss the process of filing for non-profit status, and the rules regarding collecting donations in advance of that filing. It will be well worth your time, as the rules are complex.

Joe



Nina [February 1, 2015 at 10:29 am](#)

Hi, I just read your excellent article. I recently donated a week at my vacation condo. The winning bidder contacted me to set up the date of her stay, but then she never followed up. The auction organizer contacted me and said it is customary for the next bidder on the list to be given an unclaimed item. I would assume the charity is then being “paid” twice for the same item. Is this really customary? Thanks for your help!

Nina



Joe Garecht [February 3, 2015 at 11:38 am](#)

Hi Nina,

Double check this with the charity you are working with. Most of the time, when an organization says they are giving the item to the next highest bidder, it is because the original bidder hasn't paid for the item – or because they have to refund the winning bidder, and are now moving on to the 2nd highest bidder. It would not be a normal case where the charity would be paid twice, because the original bidder would likely want to use the item (or receive a refund) at some point in the future.

Joe



Linda [July 30, 2015 at 11:27 am](#)

Our organization is planning a silent auction consisting of artwork by local artists. How do we determine the “fair market value” of the art piece? We can use the artist's valuation for the bid forms, but is this the correct valuation to use in receipts, or for general tax purposes?



Joe Garecht [July 30, 2015 at 5:45 pm](#)

Linda,

Thanks for your question. Your best bet here is to call the accountant who handles your non-profit's books (or your treasurer) to get an firm answer.

Joe



Mary Tutt [March 27, 2016 at 5:30 pm](#)

I would like to know how we know who whens the bid on an item? Since this is a silent auction do they put there name down where everyone can see it or does it matter? What if they bid and then leave the auction and they win the bid What do we do?



Joe Garecht [April 4, 2016 at 10:20 am](#)

Mary,

In general, for silent auctions you will have a bid sheet out where the person will put their name and phone number down along with their bid. Everyone can see the list. When someone leaves before the bidding is over, they still win... you call them the next day to take down payment information. If they subsequently decline to purchase, you call the second highest bidder and tell them that they won, etc.

Hope this helps...

Joe



CAROL [September 22, 2016 at 9:41 am](#)

Can I legally post winners names and the item they won of the silent auction that we held during our annual bazaar in the church bulletin? We are having some people call and want to know all this. I have always posted the donations and a thank you only. I don't feel comfortable telling everyone the names of the winners and the items that they won. Please advise...



Joe Garecht [September 26, 2016 at 6:48 am](#)

Carol,

I'm not sure about the legalities, but I do think it would be a donor relations mistake to post a list of the people who won silent auction items along with the item they won, as it might cause folks some embarrassment. If people are asking for a complete list, I would just tell them that it is confidential. Incidentally, I have never had attendees at a silent auction call later to ask for a complete list of winners' names.



[stone island shadow project](#) [November 30, 2016 at 6:29 am](#)

WOW just what I was searching for. Came hre by searching for swan



Jenni [January 9, 2017 at 10:09 pm](#)

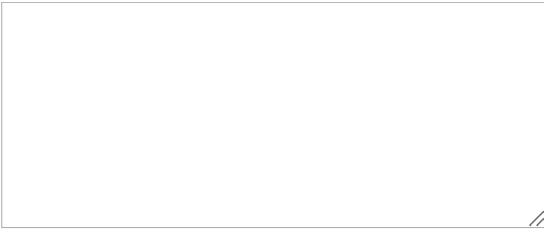
I am wondering if it is appropriate for the people holding the benefit and silent auction to bid on items.

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