Conducting a Successful Auction

Congratulations, you are about to conduct an auction! Because you work for a state agency, a state university or community college, or a quasi state supported entity, you need to know legal process for completing this task. Below you will find the procedures you need. The legal steps are #’s 3, 4, 5, 6, 10, 11 & 12 (They must be completed!) and the rest is common sense. If you have any questions about the process or need help, please call me or my offices.

Auction Steps:

1. Organize and sort items for sale
2. Determine what is marketable.
3. Send a requesting/notifying SSPA your need to hold an auction (email is acceptable)
   a. Include the sale date, time and place of the sale
   b. Send list of property to SSP for review. We prefer an electronic version (excel or word). Fixed assets must be listed individually by asset #, description, acquisition date, acquisition amount.
4. You must hire a licensed auctioneer
5. You must notify the public:
   a. Advertise the auction in local newspapers, or with flyers, signs and local publications for a minimum of 20 days in advance of the sale. Also, we want to post or link to your sale on the Surplus Web-site.
   b. List the types of property available, date, time, and place
   c. List the type of payment you will accept (Cash, check, money orders)
   d. Advise customers of preview opportunities (if any)
   e. Property is advertised “AS IS, WHERE IS” with no warranty or guarantee
6. A public posting listing all items to be sold during the auction 2 weeks prior to the auction must be done.
7. Make sure parking is available. You want lots of people at your sale.
8. You may want your local police to assist you with crowds, security, and money.
9. Organize your sale so customers have room to shop and check out.
10. A member of State Surplus Property must attend the auction to certify the auction
11. You must document each item/lot sold and amount received for each item/lot
12. Provide copy of sales documentation and check for the total amount of the sales to State Surplus for processing.

Good luck with your sale!
Some things to think about before you have an auction

• Will you provide concessions? Once people leave they tend not to come back to your sale. If you plan on having people there for over 2 hours they will need food, drink and bathrooms.
• What forms of payment will you accept? You will need security for cash. If you take personal checks we recommend you require a bank letter of credit for them (this should be submitted prior to the auction).
• How will you register your bidders? How will you identify them while they are bidding?
• What kind of advertising will you do? You must do two posting, will you do anything beyond those?
• What kind of invoice/receipt will you create for your bidder?
• Normally an auctioneer will sell 40 to 50 average items per hour. Do you have enough items for an auction?
• State Surplus still requires their 5% of the sale, the normal fee for an auctioneer is 3-6%.
• How long and when will you viewing times be? Can people plug items in? Try things out?
• When do larger items have to be removed by?