

WIU Foundation Auction Procedures

Policy #

Effective Date: 09/26/2015

Responsible Departments: WIU Foundation

PURPOSE

Auctions are frequently used as a means to raise funds across campus. The purpose of this policy is to outline how to have and to account for a successful auction fundraiser in which proceeds will be deposited into an account housed in the WIU Foundation.

Auction Timeline:

- At least two months in advance of the event:
 - The department will need to request credit card machines, if needed (see “Credit Card Machines” below).
- As items are collected for the event:
 - The department will need to complete Gift In Kind forms (see “***Detailed information required***” below).
 - Input item descriptions and fair market value (FMV) into the Auction Activity Spreadsheet as items are received (see “***Detailed information required***”).
- One week in advance:
 - Test credit card machine at the event venue
- At the event:
 - Collect the following information on items:
 - Sales prices of auction items
 - Winning bidder name
 - Winning bidder address
 - Winning bidder payment type
 - Collect payment for auction items
- Immediately after event – settle credit card machines & print settlement slips
- After the event:
 - Submit cash, checks, and reconciled Auction Activity Spreadsheet to the Foundation Accounting Office the first working day after the event. Include all:
 - Cash & checks
 - Credit card sales slips & credit card settlement slips
 - Return the credit card machine(s) in the locking briefcase to the Foundation Accounting Office the first working day after the event.
 - Submit any Gift in Kind forms to the Foundation Accounting Office within one week of the auction.

Credit Card Machines: If a department would like to have credit card machines available for individuals to make payment for items purchased at an auction event, the department must contact the Foundation Accounting Office to reserve them two months prior to the event. Generally, machines can be made available for events held both on-campus and off-campus as long as there is an analog line available at the venue where the event will be held.

A maximum of two machines may be made available for each event, and a rental fee of \$15 per machine will be assessed. The machine(s) will need to be tested at the venue one week prior to the event to be sure they are functioning properly; Foundation Accounting will set up a test time with the department.

The machine will be delivered to the department after testing is completed, and the machine will be housed in a locking briefcase. Once the machine is placed in the custody of the department, the machine and briefcase must be placed in a secure, locked location during all times in which it is not use. The machine must be returned to the Foundation Accounting Office the first working day following the event. Instructions for using the machine will be provided to the department when the machine is delivered; however, it is important to note that the settlement process must be completed on the machine immediately after the event in order to actually receive the funds that were processed. Complete instructions for using the machine, as well as completing a settlement report, will be included with the machine upon delivery to the department.

Detailed information required: In order to provide timely, accurate, and complete accounting and receipting to donors, Gift in Kind forms and Auction Activity Spreadsheets must be submitted to the Foundation Accounting Office after a reconciliation has been done by the department having the event. Gift in Kind forms should be completed as items are received by departments, and the Auction Activity Spreadsheet should be submitted the first working day after the event.

- 1. Gift in Kinds:** A Gift In Kind (GIK) form must be submitted for every auction item donated by individuals and organizations outside WIU. Be sure to attach the appropriate documentation to GIK forms with a Fair Market Value greater than \$300. The form and instructions can be found at the following link: http://www.wiu.edu/vpaps/foundation_and_development/forms.php. These forms should be completed and submitted to the Foundation Accounting Office as items are received, rather than waiting until the event is over. This helps to ensure that donors are provided receipts (when appropriate to do so) in a timely manner.

2. Auction Activity Spreadsheet: The first working day after the event, the department must submit a spreadsheet to Foundation Accounting that summarizes the outcome of the auction. The following information must be included in the spreadsheet to ensure enough information is provided to Foundation Accounting to complete receipting.

- Item description & fair market value (FMV)
- Buyer name & address
- Purchase Amount
- Payment method (check, cash, credit card)
- Donor of item (name, ID, and address)

The Foundation’s suggested format to track the aforementioned details is shown below. A sample spreadsheet is available upon request in Microsoft Excel format (please contact Foundation Accounting to request the template). A department may use the template to enter the event specific information. In all cases, a spreadsheet containing the information detailed below will need to be emailed to the Foundation Accounting Office after the event even if the department opts to use a different method of reporting the data.

Sample spreadsheet:

	A	B	C	D	E	F	G	H	I	J
1	EVENT NAME:	PURPLE & GOLD GALA								
2	EVENT DATE:	NOV 12, 2014								
3	FOUNDATION ACCOUNT #:	883703								
					Market Value of Item Bidding	Amount Paid Above Market Value - Donation	How Paid			
4	Name	Address	Auction item	Purchase price				Donor name	Donor ID	Donor Address
5	Bob Smith	843 E Franklin St. Macomb, IL 61455	2 Pedicures at Grand Escape	\$90.00	\$99.00	\$0.00	CC	Grand Escape Spa	908417611	420 E JACKSON ST Macomb, IL 61455
6										
7	Doug & Pam Jones	1318 E Thomas St. Macomb, IL	WU lawn chair and blanket	\$70.00	\$50.00	\$20.00	Cash	WU Bookstore		
8										
9	Sarn Smith	2185 N. County Rd. Burnside, IL 62330	Coke product for a year	\$125.00	\$188.00	\$0.00	Ck 1234	Coca cola Bottling Co	989000705	219 S JOHNSON ST Macomb, IL 61455
10										
11	Regina & Michael Apple	411 W. Carroll St.	Autographed football - Chicago Bears	\$50.00	\$75.00	\$0.00	Ck 5709	Chicago Bears	993010138	1000 FOOTBALL DR Lake Forest, IL 60045
12										
13	David & Sue Smith	1239 Redbud Dr. Macomb, IL 61455	Autographed Chicago Bears photo	\$30.00	\$45.00	\$0.00	Ck 662	Chicago Bears	993010138	1000 FOOTBALL DR Lake Forest, IL 60045
14										
15	Jane Doe	505 E. Grant St. Macomb, IL 61455	International assortment of wine	\$300.00	\$180.00	\$120.00	CC	The Wine Sellers	904073922	212 S RANDOLPH Macomb, IL 61455
16										
17										
18				\$665.00		\$140.00				
19										

3. Sales / Deposit Reconciliation: After your event, reconcile total sales to the total amount received.

- Total Sales = total of Purchase Price column. This amount should also equal the sum of highest bids on silent auction bid sheets.

- Cash deposit + check deposit + cc settlements + Accounts Receivable (if any unpaid) = Total Sales
- Total of credit card sales receipts from each transaction should = total on credit card settlement slips.
- Your reconciliation and spreadsheet should be delivered to the Foundation Accounting Office as soon as possible after your event.

Deposit of Auction Proceeds: In order to be in compliance with Illinois statutes, auction proceeds must be deposited according to the Timely Deposit Regulations, which can be found in the University's Administrative Procedures Handbook. Please bring all cash, checks, cc charge slips, and cc settlement slips to the Foundation Accounting Office the first working day after the event.

The credit card revenue will post to your Foundation account within one week after the first of the month following your event. We must wait to find out the actual bank fees on the amount that was charged.

Contribution Receipts: Buyers who paid more than FMV for an item will receive a contribution receipt showing the donation amount either one week after all materials on the auction are received by the Foundation Accounting Office, or at the end of the calendar year if the donor gets annual receipts. For example, in the sample above Bob Smith paid \$90 for an item valued at \$99. He will not get a receipt for a charitable donation, because he paid less than the FMV. Doug & Pam Smith paid \$70 for an item with a \$50 FMV, so they will receive a charitable donation receipt for \$20. If purchasers who paid more than FMV have a WIU ID number, please also include it in your spreadsheet.

Certified as approved by the Executive Committee of the Western Illinois University Foundation Board of Directors on:

Date 9/26/2015

Marlin France
Marlin France, Secretary

Review schedule: Every three years

Revision history: 09/26/2015 original policy