

Department of the Interior
Incoming Loan Guidance

Department of the Interior Guidance for Incoming Loans of Museum Collections

Proper documentation of incoming loans is vital across the DOI to authenticate ownership and to identify, manage, track, and provide proper security of the museum object(s) in a loan. Typically, incoming loans are in support of a bureau's or office's exhibition, interpretation, education, or research needs.

The policies and procedures required to receive an incoming loan of museum property (museum collections) are identified in Part 411 of the Departmental Manual (411 DM) [*Identifying and Managing Museum Property*](#) and detailed in [*DOI Museum Property Directive \(Directive\) #22, Incoming Loans*](#).

This guidance presents additional information and the best practices for incoming loans in accordance with Directive 22. It includes explanatory information, clarification of certain standards or requirements for incoming loan standards, and recommendations for handling and caring for loans.

Section I provides information about the purposes of incoming loans. Section II provides additional guidance on specific incoming loan standards, such as the costs of loans, additional loan conditions, and agreement records. Section III is devoted to insurance, including acquiring insurance, the conditions to consider in an insurance policy, the provisions to include in an insurance policy, and claims. Section IV focuses on incoming loan procedures, including guidance on loan requests, loans as controlled property, photography, and monitoring loans. Section V discusses returning loans and Section VI explains the documentation process of loan extensions and where to obtain the required forms. Section VII offers further guidance and procedures concerning old loans.

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Section I: Purpose of Incoming Loans

DOI bureau/office units initiate incoming loans to meet a number of collections management goals, including:

- **Exhibition:** The exhibition of museum objects from another DOI unit, a non-DOI museum, or an individual is one of the most common reasons for an incoming loan. The unit sponsoring the exhibition often lacks a specific object(s) in its own collection that is specified in the exhibit plan and is necessary to achieve the exhibition's interpretive goals. Borrowing such objects can ensure a more comprehensive exhibition that meets the unit's objectives.
- **Exhibit Preparation:** A DOI unit might accept an incoming loan for exhibit preparation, such as for design of exhibit mounts. A DOI unit may also contract with another DOI unit or center for exhibit design and fabrication, which would involve a loan transaction.
- **Research:** Loans are frequently made for research. For example, a botanist at a refuge may be conducting comparative analysis of a plant species that occurs at her unit and she arranges a loan of similar specimens from several other DOI units to support her work. If the research design includes any destructive analysis, the loan agreement **must** state the conditions under which the analysis will occur.
- **Conservation:** Museum objects may be loaned for conservation. A small number of DOI units and centers with conservators on staff receive incoming loans for conservation.
- **Temporary Storage:** National Park Service (NPS) units and centers occasionally accept incoming loans for temporary storage, usually from another NPS unit that is renovating a museum facility. Loans for temporary storage also may occur prior to or following a natural disaster or emergency affecting the unit that manages the collection. Otherwise, loans for temporary storage are not recommended.

Section II: Incoming Loan Standards and Recommendations

1. Required Information for All Incoming Loans

DOI Museum Property Directive 22, *Incoming Loans of DOI Museum Collections*, establishes the DOI requirements for all incoming loans to bureau/office units. Section 1.6B of the Directive mandates the completion of an incoming loan agreement for all incoming loans, using the Incoming Loans Module of the Interior Collection Management System (ICMS), its successor, or another recording system in accordance with bureau policy.¹ Section 1.6B also specifies all of the DOI-required information that must be included in every incoming loan agreement. To assist in your documentation efforts, several of these mandated elements are described below:

¹ Not all bureaus use ICMS to generate loan forms. If a bureau does not use ICMS to track its loans, the recording system (e.g., paper, electronic, other) used must include all mandatory loan information specified in Directive 22.

- Object identifier, such as catalog, accession, or other number(s): In addition to the catalog or accession number, there may be other numbers assigned to the object/specimen that are useful to document. Such numbers may include:
 - Original Catalog Number: The lender may have acquired the object from another institution or may have used a different system for numbering its collections in the past. If the object bears its catalog number, as well as an old catalog number, you should note the old number on the loan form as well.
 - Collector’s Number: While in the field, the collector may have affixed a temporary number to the object or specimen. If the object still bears such a number, you should note it on the loan form.

- Description: Be sure that every item in the loan is thoroughly described on the incoming loan form. Each object’s/specimen’s description should include all of its distinguishing and significant features, in sufficient detail, to differentiate it from all others. Some useful strategies to help you ensure that you have adequately described each item include:
 - Photograph(s) and Catalog Record(s) from the Lending Institution: When borrowing objects from another institution, request that the lender provide both a photograph and a copy of the catalog record for each object in the loan. Keep the photographs and catalog record information in the incoming loan folder with the rest of the loan documentation.
 - Information from a Private Collector: Individual collectors may not maintain a catalog of their collection. Even if they do, it is unlikely to be as comprehensive as that maintained by a museum. That is why it is important to include a thorough description of any object borrowed from an individual. You may want to ask the owner to provide you with the exact terminology used to describe the object in his/her insurance policy.
 - Object Identification Standards from the Getty: A useful publication to consult when developing descriptions for museum objects is [*Introduction to Object ID: Guidelines for Making Records that Describe Art, Antiques, and Antiquities*](#). It was produced in cooperation with major international cultural heritage organizations and law enforcement agencies to establish “...a minimum standard for describing art, antiques, and antiquities...”

- Condition: Be sure to accurately note the condition, as well as photograph, every object in an incoming loan. Thoroughly document any pre-existing damage in both a written description and photography. Your photographs should document:
 - The front and back of the full object.
 - The size of the object(s). It is recommended that you use a ruler marked in inches or centimeters in each photograph for scale.

- In addition to any pre-existing damage, photographs of condition issues (e.g., fraying, fading, etc.), historic inscriptions, or any other visual details are useful in identifying and documenting the condition of the object.

Note: The ICMS Incoming Loans module does not include a field for condition, although it can be included in the Loan Description field. Be sure to note the object’s condition somewhere in the loan documentation. You can use the Incoming Loan List, List of Objects form in ICMS to record this information and attach it to the loan form (Figure 1).

- Value: Value is determined by an object’s monetary value (e.g., fair market value) at the time of the loan. **All non-DOI lenders must provide both the object’s value and proof of valuation if the lender wants a DOI borrower to purchase insurance for the loan** (see Section III: Insurance below for additional information).

US Department of the Interior		INCOMING LOAN LIST LIST OF OBJECTS AND/OR SPECIMENS		Page ____ of ____	
Bureau and/or Unit Name			Incoming Loan Number		
ITEM COUNT	CATALOG NUMBER	OBJECT AND/OR SPECIMEN NAME	DESCRIPTION AND CONDITION (Attach recent photo if possible)	INSURANCE VALUE (ASSIGNED BY LENDER)	RETURN STATUS (Partial or Complete)

(If additional space is necessary, attach extra sheets)

Figure 1: DOI Incoming Loan List, List of Objects Form

2. Loan Costs

There are a number of potential expenses that you should plan for prior to initiating an incoming loan, such as:

- Packing and Unpacking: Lenders often require that their staff will pack the loan for shipment, and use their choice of packing materials and shipping containers. Your unit would then be required to cover all costs associated with the labor and materials. If the lender is in need of packing guidance, you can refer them to several key resources, such as the [NPS Conserve O Grams](#) devoted to packing and shipping museum objects (e.g., *Conserve O Grams* 17/1 through 17/6).

- Photography: If you have a suitable camera and someone on your staff is an accomplished photographer, this expense may be minimal, other than staff time. If you have to hire a professional photographer, you will need to factor in this expense.
- Shipping/Transportation: The lender will often dictate shipping terms that your unit must adhere to—and pay for. Some possibilities include use of:
 - Fine Art Shipper: The lender may require the use of a fine art shipping company to pack, ship, and unpack the loan shipment, or some combination thereof. There are a number of experienced companies that offer these services, both regionally and nationally. Lenders that require the use of a fine art shipping company will likely have experience working with a particular company, which they will require you to use.
 - Overnight Express: Most of the overnight express delivery companies offer nationwide expedited 1-day or 2-day delivery, which many institutions use for museum loan shipments. For larger, more valuable shipments, some firms provide options for enhanced security and controlled environmental conditions (e.g., temperature, humidity).
- Courier Services: The lender may require that a courier escort a shipment of extremely valuable objects, perhaps including armed guards. This requirement has the potential for greatly increasing the costs to your unit.
- Exhibit Installation and Dismantling: Evaluate whether your unit’s curatorial and/or

Negotiate that the lender will pack the loan for shipment. That way your unit will not be liable for damage incurred during transport.

facilities management staff have the capacity and expertise to install an exhibit and then dismantle it when the exhibit ends. If your unit lacks such in-house ability, you may need to hire experienced individuals. One option might be to acquire the assistance of experienced staff from a nearby DOI unit by covering their salary and/or travel costs.

- Conservation: Sometimes an object loaned for an exhibit may require conservation prior to exhibition. If conservation is needed beforehand, the loan agreement may include a stipulation that identifies which party (borrower or lender) is responsible for funding and performing the needed treatment. Be aware that a DOI unit would need authorization to fund conservation of a non-DOI museum object if that unit was not responsible for the damage or if the object was not damaged when on loan.
- Return of the Loan: The borrower is almost always required to cover all return shipping costs and associated fees stipulated by the lender.

Section III: Insurance

A non-Federal lender might request the borrower to provide insurance for an incoming loan.

1. Obtaining Insurance

- **Authorization to Obtain Insurance:** The Federal government cannot use *appropriated funds* for insurance to cover loss or damage to Federal property (Self-Insurance Rule), unless an exception applies. Consequently, Federal lenders, including other DOI units, cannot require that DOI bureaus/offices purchase insurance. However, this rule does not apply to non-Federal collections in Federal control *if* the non-Federal lender requires the insurance as part of the transaction (Figure 2).

The Smithsonian Institution does not self-insure objects or accept self-insurance from borrowers. Consequently, just as the Smithsonian must procure insurance for DOI bureau/office objects loaned to them, DOI bureaus/offices must procure insurance for Smithsonian trust property (but not Federal property) loaned to DOI bureaus/offices.

If a DOI unit cannot afford collection insurance, it cannot borrow the object(s).

Keep in mind that if the loan involves a multi-year agreement, the borrower must pay insurance upfront for the full agreement unless funds are from a no-year account.

Bureaus/offices are only permitted to spend appropriated funds on insurance for non-Federal museum objects if the underlying loan is authorized and is consistent with work-related objectives and the agency mission. Typically, loans –and, by extension, insurance purchases with appropriated funds— are not authorized when it is primarily for the personal convenience or personal satisfaction of a government official or employee.²

- **Acquisition of Insurance:** Acquisition of insurance is like acquisition of any other service. If the amount for the insurance policy is under the current credit card threshold, you can use your credit card to purchase the insurance. If the amount is over the current credit card threshold, you will need to consult your bureau/office contracting office for a procurement action. Some insurance companies will not accept a credit card purchase, which will necessitate going through your contracting office.

As the government is self-insured, there are two primary options for acquiring insurance. The first option, often easier and more affordable, utilizes the lender's existing policy. The second option is to acquire a policy from an insurance company that covers, and preferably specializes in, the objects covered by the insurance. If this option is pursued, the lender should be listed as an "additional insured" in a certificate of insurance with the claim proceeds going to the lender. An "additional insured" is a term of art, meaning that the lender is added to an insurance policy that the lender did not purchase but can access the benefits of. The lender should approve the policy before the acquisition is concluded.

² [GAO, B-212447, Dec. 7, 1983, 63 Comp. Gen. 110.](#)

To find information on insurance companies that deal with museums and museum objects, ask the lender which company the lender uses or prefers. If the lender has no preference, contact local institutions that house similar objects to those you are borrowing to determine what insurance company they use.

In the limited cases where only transit insurance is required from a non-Federal transport company between two Federal facilities, the transit company may also be able to provide commercial transit insurance for a fee. Request a copy of the shipper’s commercial general liability and auto insurance policies.

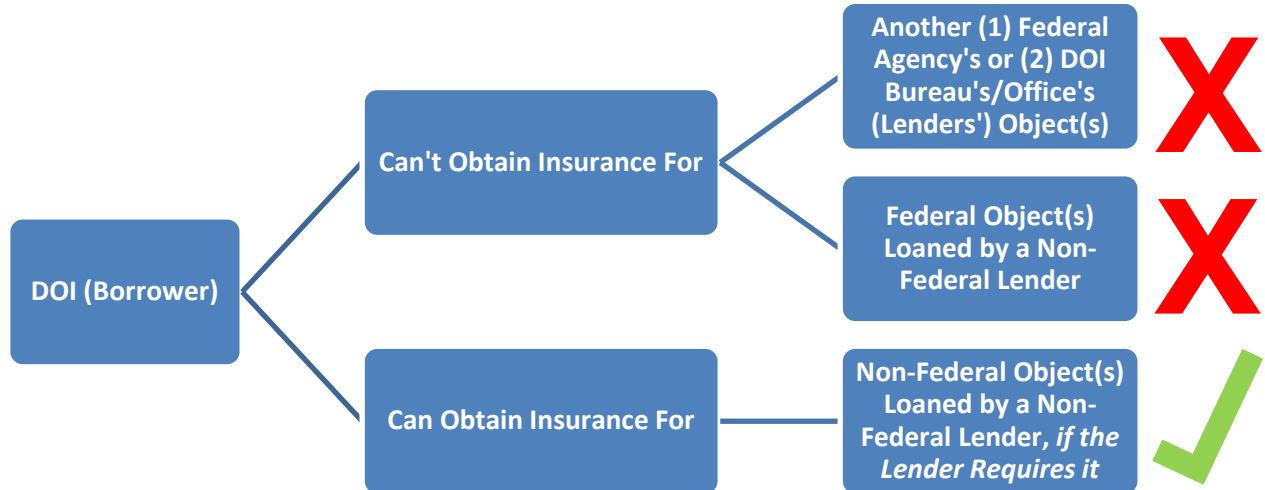


Figure 2: Insurance Procurement Flowchart for DOI

2. Insurance Policy

The following conditions should be considered and included in an insurance policy for an incoming loan.

- **Content and Perils Coverage:** Most standard insurance policies do not cover fine arts, historic and cultural objects such as archaeological artifacts, biological specimens, and jewelry. It is important that the insurance policy actually covers the types of objects that are being loaned. The policy must also cover all relevant and foreseeable risks.
- **Valuation Coverage:** The insurance policy should have adequate coverage to insure the claimed dollar value of the objects on loan that is listed in the loan agreement documents. For example, if a painting is listed as valued at \$500, then the insurance coverage listed in the insurance policy should be \$500 or more.
- **Wall-to-Wall Coverage:** Insurance coverage should start from when the lender begins handling the object to prepare the loan (i.e., removing it from the “wall”) until the object is returned to the lender, unpacked, and situated in its final location (i.e., returned to the “wall”). Make sure the policy is not for door-to-door coverage as improper packing, unpacking, and handling inside the “door” can cause damage.
- **Claims:** The policy must list procedures for handling claims.

- **Deductibles:** The policy must not have any deductibles. While this can be expensive, future appropriated funds are not guaranteed and, therefore, might not be available to pay the deductible. This could result in an Anti-Deficiency Act violation.
- **Waiver of Subrogation:** All insurance policies must include a waiver of subrogation. Subrogation is the right for an insurance company to sue a third party that caused an insured loss to the insured party. When an insured party suffers a loss and the insurance company pays the insured party, the insurer then can seek subrogation against a third party that caused the harm. The insurance company is essentially “stepping into the shoes” of the insured party’s legal claim and suing the third party that caused the loss. The insurance company does this to recover its loss from the insurance payment to the insured. A waiver of subrogation prevents the insurance company from “stepping into” the claim and suing whoever or whatever entity caused the damage.

If the borrower procures a new insurance policy, the borrower must ensure there is a waiver of subrogation for both the lender and borrower. If the borrower and lender agree to utilize the lender’s existing insurance policy, the lender must ensure that the policy or endorsement includes a waiver of subrogation so the borrower will not be sued.

- **Buy-Back Provision:** The policy must permit the lender to “buy back” any lost or stolen objects that are recovered after the claim is paid.
- **Compliance with Law and DOI Policy:** Make sure that the choice of law (e.g., state law, Federal law, or another country’s law), forum provisions (i.e., where will the dispute be held), dispute resolution mechanism (e.g., mediation, arbitration, or court) in the insurance policy complies with law, DOI policy, and the loan agreement requirements. If you have any concerns, consult your Solicitor, Contracting Officer, or National/Chief Curator as appropriate.

3. Insurance Provisions in the Loan Agreement

- **Avoid Contradictions:** Make sure there are no provisions in the loan agreement that contradict the insurance agreement or DOI policy (Figure 3).
- **Valuation Coverage:** The loan agreement must specify that the claimed value of the object(s) at the time of the loan is the maximum amount of insurance coverage. The agreement should not permit changes in the stated value of the loaned work in the agreement. Agreements that require valuation based on the fair market value at the time of loss are problematic. This is because valuations can fluctuate, especially over long durations, and the insurance coverage might not be adequate under a provision that allows the value to fluctuate.
- **Limits of Liability.** The lender must agree to limit the claim and recovery to the insurance company’s determination (i.e., if the insurance company refuses the claim or disagrees with the lender’s valuation, the lender will not go against the borrower for the balance of the claim).

The agreement between the borrower and the lender must put the burden for substantiating the value on the lender and cap all liability at the amount the insurance covers. For example, the lender values a painting at \$500, but the insurance company doesn't. This could be for a host of reasons (e.g., disagree with valuation, lender can't prove it had title, etc.). The insurance company denies the claim. The loan agreement should cover this scenario and limit the borrower's liability to what the insurance will cover, which in this case is \$0. Without this clause, the lender could seek the difference in value from the borrower.

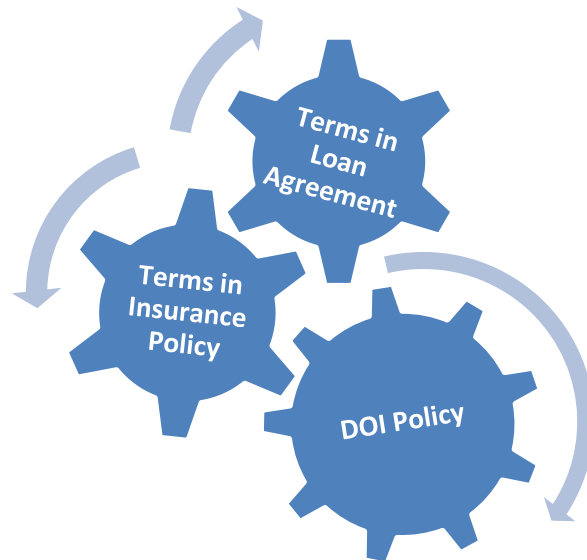


Figure 3: Diagram of Policies and Agreements Working Together

- Perils Insured: Be on the lookout for “absolute liability provisions” where the lender or loan agreement requires that the borrower assume absolute liability. In almost every insurance policy there are certain circumstances in which the loss of an object will not be covered. These circumstances typically include:
 - Damage caused by insects, moths, rodents, or other pests.
 - Inherent vice of the object, which is the tendency of the materials within the object to deteriorate or destroy itself over time.
 - Damage due to, or resulting from, repair, restoration, or retouching during the loan period. This applies if the loan involves any type of restoration or other work that may lead to damage or destruction, which should be part of the loan conditions.
 - Nuclear reaction, radiation, or radioactive contamination.
 - Insurrection.

- War.
- Government confiscation.
- Perils of customs quarantine (applies to international loans only).

The borrower must not assume liability for risks that the insurance company will not cover. The borrower's insurance policy's exclusions should be listed and not included in the liability.

- Waiver of Subrogation: The loan agreement should reiterate the requirement for the appropriate party to obtain a waiver of subrogation from the insurance company.

4. Claims

Having procedures for making and responding to claims is important to every bureau/office unit that accepts an incoming loan. Those procedures should include information on:

- Protecting the object from further damage.
- Preserving the “scene” (i.e., not further disturbing damaged work, packaging, shards, etc.) so police and the insurance company can make their determinations.
- Who will be notified of the claim and what timeframe that should be. The amount of time must be agreed on by all parties at the beginning of the loan process.
- Not making promises to the lender (i.e., “we can take care of this, fix it, replace it, etc.”)
- Notifying the police if illegal conduct caused the damage.
- Who will contact the insurance broker or agent if additional insurance was purchased for the loan.
- The amount of documentation that the bureau unit will require (e.g., written incident and condition reports, photographs, environmental data, and statements from witnesses, if there are any). Be sure to include requirements from the insurance company (e.g., time, place, cause of the damage and object value; condition report before and after damage; all documents involved in the loan: loan agreement, shipping forms, and insurance forms).
- Discussing with the lender who will find replacements or conservators and determine estimates for replacement or repair.
- Requiring the lender and insurance company to approve repair or replacement before undertaking those efforts.

- Evaluating the insurance policy to determine whether it covers a decrease in value if there is repair.

The claim procedures should encompass and not conflict with the insurance company's required procedures.

Section IV: Incoming Loan Procedures

1. Loan Request

As soon as you've identified a museum object or group of objects that your unit is interested in borrowing, you'll need to prepare a written request. Check to see if the institution has established procedures posted on their website to follow. In lieu of specific instructions from the lender, address the request to the owner (or authorized party of the institution). Prepare the request on your unit's letterhead and have the authorized party (e.g., unit manager) sign and date it. Be sure to include the following information in the request:

- Name and/or purpose of the proposed exhibition, research project, conservation project, or endeavor. You may want to include an abstract (one page or less) of your proposal.
- The object(s) requested. Note the catalog number(s) and any names, titles, or specific information that identifies or refers to the object(s).
- Duration of the loan. If the loan is for an exhibit, include opening and closing dates. If the loan is for research or conservation, provide the estimated time for analysis or treatment.
- Location(s) where the loaned objects will be housed. Include the city, state, unit/office name, and building name (e.g., Henry M. Jackson Memorial Visitor Center, Mount Rainier National Park, Ashford, Washington).
- Response Deadline. If an object(s) is needed by a specific date, such as for an exhibit, then be sure that your request includes a "response due date." For example, you might use the following language:

As "Lewis and Clark and the Nez Perce" is slated to open on May 16, 2018, I respectfully request your response to our loan request by May 16, 2017.

When borrowing collections, be sure that the loan period is for the minimum amount of time required for the exhibit or the successful completion of the research or conservation project. Loan durations in excess of your unit's needs add unnecessary risk, as well as incur additional insurance expenses.

DEPARTMENT OF THE INTERIOR

Unit _____

INCOMING LOAN AGREEMENT

ACCESSION NO. _____

Received From: _____
(Name of Lender)

(Address)

(Telephone)

In accordance with the conditions printed on the reverse the objects listed on the attached sheet are borrowed for the following purpose:

for the period _____ to _____
(from estimated time object leaves lender's custody until their return and receipt by lender; see 'Shipping' below)

CREDIT LINE: _____
(for exhibition label and catalog)

Insurance: *(see conditions on reverse)*

No insurance policy To be carried by Lender To be carried by Borrower

SHIPPING: The following method of shipment is agreed upon. The objects will be shipped from address: _____

_____ to arrive no later than: _____ and will be returned to the above address (unless otherwise notified) by the following date: _____
shipment will be via: _____
(special packaging and shipping instructions, if any, attached)

COST TO BE PAID BY: **DOI** or **LENDER** SPECIAL CONDITIONS _____

Packing
Shipping
Insurance

On initiation of the loan, this agreement will be signed by both parties. On termination, the original is signed by the Lender and returned to the Department of the Interior.

On initiation of Agreement:

I have read and agree to the conditions on the reverse.

SIGNED: _____ Date: _____
(Lender or Authorized Agent)

Title: _____
Approved for the Department of the Interior

SIGNED: _____ Date: _____
Title: Responsible Official

On Termination of Agreement:

All property covered by this agreement has been returned in good condition, exceptions, if any, are listed on the attached sheet:

SIGNED: _____ Date: _____
(Lender or Authorized Agent)

Title: _____

Figure 4: Incoming Loan Agreement

2. Documentation of Incoming Loans

All incoming loans must be documented in ICMS, its successor, or another recording system approved by your bureau. For example, your bureau may not require loan documentation to be managed electronically; paper forms may suffice. No matter the type of system used, you must:

- Attach the incoming loan agreement to the loan record (e.g., staple or clip together paper forms; electronically link the agreement to the loan record in ICMS or other collection management system).
- Include all DOI-required information on the loan agreement, which are listed in Section 1.6 of Directive 22, *Incoming Loans of DOI Museum Collections*.

Note: If your unit does not use the ICMS incoming loans module, you may wish to download Word versions of the DOI Incoming Loan List and the DOI Incoming Loan Agreement (Figures 1 and 4). By using both forms and entering requested information, you will comply with DOI's information requirements for incoming loans. Forms are available on the Interior Museum Program's website at: <https://www.doi.gov/museum/policy/Museum-Directives>.

3. Loan Folder

Establish a loan folder for each incoming loan. Use an acid-free, archival-quality file folder to house all forms and other documentation associated with the loan, including:

- The original, printed loan form, signed by the authorized parties (lender and borrower).

Note: If you use ICMS to track your unit's loans, you still **MUST** print a paper copy of the Incoming Loan Agreement. The signed, paper Incoming Loan Agreement serves as DOI's official, legal government form that documents the loan transaction.

- Copies of the lender's catalog records, insurance policy/certificate of insurance, proof of object valuation, and any additional documents and images that might be needed to file an insurance claim in the event of a fire, theft, or other incident.
- Copies of the shipper's commercial general liability and auto insurance policies if transit insurance is required.

Incoming loan folders are museum records and must be housed in a locked, fire-resistant cabinet.

4. Documentation Required by the Lender

The lender may require additional documentation prior to loan approval, such as a completed [American Alliance of Museums \(AAM\) General Facility Report](#). If borrowing museum objects from another DOI unit, the lending unit may request the most recent *Facility Checklist for Spaces Housing DOI Museum Property*. Other documents a lender may require from a borrower might include:

- Certificate of Insurance (see Section III: Insurance).
- Immunity from Judicial Seizure. The U.S. Department of State administers the Immunity from Judicial Seizure statute (22 U.S.C. 2459), which protects certain objects of cultural significance imported into the U.S. for temporary display or exhibition from seizure or other judicial process. If your unit plans to borrow museum objects from a government, institution, or individual outside the U.S., the lender will likely require you to obtain immunity from judicial seizure for their collections while in the United States. Consult with your bureau's National/Chief Curator and/or the Interior Museum Program when considering an international incoming loan as there are important import, export, and other international issues to consider. For information, visit the U.S. State Department's Immunity from Judicial Seizure website at: <http://www.state.gov/s/l/c3432.htm>.

5. Controlled Property

All short-term incoming loans are controlled property and are subject to an annual 100% inventory, except those objects borrowed for less than one year. Procedures that are used to inventory incoming loans are specified in [Directive 21, Inventory of Museum Collections](#).

6. Insurance Requirements

As a condition of the loan, you must adhere to the lender's insurance requirements. See Section III: Insurance, above, for additional information.

7. Receipt of the Loan

Upon receipt of the loan, follow these steps (Figure 5):

1. Notify the lender of receipt of the loaned objects.
2. Unpack, examine, and inventory each object immediately. Typically, the lender has specified a period of time that the object(s) must remain in the shipping container to acclimatize to the environment at your unit, which you must follow.
3. During unpacking, look for any damage to the object(s). Photograph the damage and notify the lender immediately.
4. Notify the lender that no damage was found in the received objects.
5. Complete a written condition report for each object in the loan.
6. Photograph each object, including any component parts, according to the loan agreement and bureau policy.

Visually document every aspect of unpacking and exhibit installation. Use a camera or video camera—you can even use the video function on a smart phone.

Damage: If you find that any objects are damaged or missing, stop work immediately and follow these steps:

- Photograph all damage to the object(s). If the shipping container was damaged in transit or it appears that the packing method caused or contributed to the damage, be sure to photograph those items too.
- Notify the lender.
- Keep shipping containers and packing materials. On top of examining damaged objects, the insurance company will want to inspect the shipping container and packing materials.

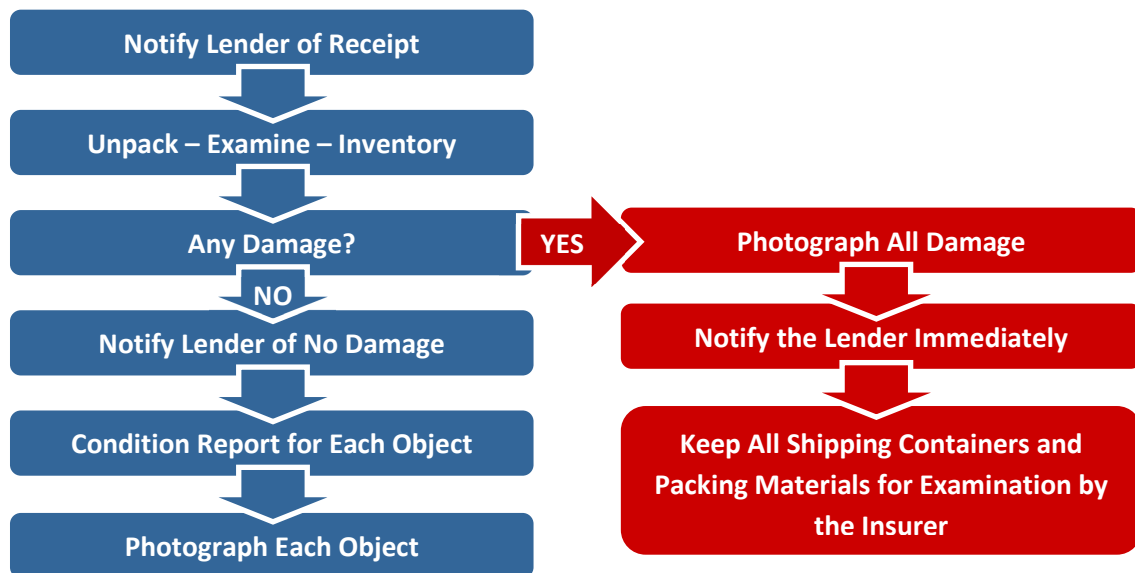


Figure 5: Incoming Loan Receipt, Unpacking, and Documentation Flowchart

8. Tags or Other Identifying Information

Ensure all identifying tags (i.e., tags with catalog numbers) or other information provided by the lender remains with, or attached to, the object, as specified in the loan agreement.

9. Loan Monitoring

Carefully monitor all incoming loans to ensure that:

- All loan agreements are current.
- Your unit is meeting all of the lender's requirements.
- You return the loan on time and/or request an extension of the loan well in advance, per the loan agreement (see below).

Section V: Return of a Loan

Contact the lender at least thirty (30) days prior to the loan's termination date to ensure that the lender is prepared to accept the return. Then carry out the following steps:

- Prepare an ending condition report for each object immediately prior to packing, including photographs, regardless of whether the object is damaged or not.
- Pack the objects for return according to the shipping conditions in the loan agreement.
- Include a printed copy of your incoming loan agreement in the shipment. The final section of the loan agreement is **RETURN OF LOAN** with a signature line for the lender to acknowledge receipt of all material in good condition or in the condition noted on the agreement and/or in the attached object condition report(s). The lender should mail the signed copy to the borrower to acknowledge the return of the loan.
- Notify the lender as soon as the objects on loan depart your unit. Provide the lender with copies of shipping manifests, waybills, tracking numbers, shipping papers, or any other documents related to the shipment. It's best to email these materials to the lender as soon as you create them. **Also, advise the lender of the estimated delivery date.**
- Request that the lender contact you upon receipt of the return. Contact the lender if the lender does not contact you by the estimated delivery date.
- Update all associated loan and catalog records in ICMS or its successor to note that the objects on loan were returned to the owner.

Section VI: Loan Extensions

Incoming loans may be extended for additional periods of up to three years subject to funding for the extension and the conditions in the original loan agreement. All loan extensions require the written approval of both the lender (authorized party) and the DOI authorized party. You also must carry out the following procedures:

- Document the extension in ICMS or the other recording system that you use.
- Conduct a 100% inventory of the loaned objects using the procedures in Directive 21.
- Extend insurance coverage and obtain and retain proof of insurance extension. Both the borrower and the lender should have proof of the insurance extension. An insurance extension must be obtained before the previous insurance coverage expires.
- Prepare an additional condition report for each of the loaned objects, including photographs, if required by the lender.

Section VII: Old Loans

Old loans are extremely problematic. An old loan might be:

- An expired loan that, for unknown reasons, was never returned to the lender.
- A long-term loan without a termination date that remains unclaimed by and potentially abandoned by the lender.
- A loan that lacks proper documentation to enable its return. For example, there may be no information pertaining to the name, address, and other contact information of the lender. Another common situation is a “permanent” or “long-term” loan that was approved decades ago but the lender is now deceased and it is unclear who now owns the object(s) in question.

In these situations, DOI has limited use of the objects. DOI lacks legal title, but nonetheless remains responsible for the long-term care of the objects. If your unit has any old loans, it’s critical that you make every attempt to identify and locate the rightful owners and then return those objects.

Section VIII: References

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