

University of Michigan Library, Special Collections Library  
**Exhibit Loan Procedures and Guidelines**

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Updated January 16, 2018, by Shannon Zachary

**Reference:** ACRL/RBMS Guidelines for Interlibrary and Exhibition Loan of Special Collections Materials. January 2012. <http://www.ala.org/acrl/standards/specialcollections>

### **Outgoing Loans: Step by Step**

1. Potential borrower asks about borrowing an item for an exhibit (or for a class, study, etc., outside the Library and when Library staff will not have the items in their control throughout).

- Identify a primary U-M Library contact person for the loan—usually the SPCOLL curator for the relevant material. As much as possible all communication should go through (or at least copy) that person.
- If there is an immediate reason to say no to the loan, say so; for example
  - o Curator confirms with Reader Services Coordinator that the title is not in an Aeon queue:
  - o If the item is needed for a U-M class:
  - o Item was already on exhibit within the previous 3 years;
  - o If the curator already knows the item is too fragile or too valuable to travel;
  - o etc.
- Otherwise, for an exhibit loan, ask the Borrower to answer the questions on the **Request to Borrow Worksheet**. A loan for a class, study, etc. outside the library may not fit the Request to Borrow Worksheet; gather as much detail about the proposed use as possible.
- If the date the item is needed is less than six months out, alert the Borrower that time may be too short to negotiate and organize a loan. A simple loan may be possible, depending on the time available; a complex one probably will not.

2. SPCOLL contact person reviews the responses to the Request to Borrow form and gets clarification from the Borrower as needed.

- Is the Borrower asking for specific items, or do they need help with the selection? What sort of time commitment does that help involve?
- Has the Borrower provided adequate information about their facilities and security? Consult with Conservation and ask for more information as needed.
- Does the borrower need images for publicity, catalogue, or display? Are there potential copyright issues with such images (e.g., is the original in the public domain, or still under copyright, so far as is known?)

3. SPCOLL contact consults with Conservation.

- A conservator reviews the facilities report; are the safety and security arrangements adequate for the object(s) requested?
- In a preliminary examination of the object(s) requested (often can happen at Special Collections rather than at the Conservation Lab) the conservator will determine whether the objects are safe to travel. Do they need stabilization or conservation

work prior to the loan? Has the item been displayed within the previous 3 years? (General rule: limit light exposure on exhibit of a specific item to a maximum of 3 months in a 3 year period).

- The conservator will establish requirements regarding packing and shipping. While details will need to be agreed for each specific loan, typical specification options for shipping are described below; the selection is based on value of the item, fragility, and acceptable risk:
  - U-M courier drives item to venue and picks up; it is usual to require two people traveling with the vehicle (at stops, one person leaves the car, one stays with the vehicle and the loan object).
  - Borrower drives to U-M and picks up; it is usual to specify that there should be two people traveling with the vehicle (at stops, one person may leave the car, one stays with the vehicle and the loan object).
  - Ship via UPS or Fed-Ex, with tracking; prefer next-day delivery.
  - Ship via reputable fine-arts shipping company using a climate-controlled, dual driver, air-ride exclusive use vehicle.
  - U-M couriers escort via air; either two couriers for the whole trip or two couriers to/from the airport and one courier from airport security check in to airport security check out.
- The conservator will establish requirements regarding display: mounts or supports, light levels, temperature, humidity, etc.
- The conservator, in consultation with the Head of Preservation & Conservation, identifies potential cost factors for conservation time and materials, packing, shipping, couriers, etc.

#### 4. SPCOLL contact

- Researches and provides insurance value for each item going on loan. Occasionally the borrower may ask for documentation on how the amount was determined or an external appraisal. If an external appraisal is required, the cost of that service is charged to the borrower.
- Estimates costs for Special Collections time and/or services, if they will be charged to the borrower. Typically, by SPCOLL policy, they are not.
- Contacts the Digital Conversion Unit to arrange for images, if needed, and estimate of any costs that may be charged.
- If the total value of the loaned objects is \$50,000 or more, contacts Risk Management; they will need to review and approve the insurance and risk arrangements for the loan (before signing) and will want a copy of the completed loan agreement. See note on **insurance** below.
- If the loan is within the University of Michigan, no certificate of insurance is needed. If the values involved are high, it is still appropriate to discuss the proposed plans with Risk Management well in advance.
- Determines, in consultation with the Director of Special Collections and the Head, Dept. of Preservation and Conservation, what costs will be charged to the Borrower.
- Creates an Aeon event documenting where the loaned objects are, enters a staff note in Aleph, and posts a note in a dummy on the shelf.

#### 5. SPCOLL contact fills in the **Outgoing Loan Agreement** form.

- Requests information from the Borrower or from Conservation as needed.

- Even if the loan is within the University of Michigan, a formal loan agreement between the parties should be signed.
- Agrees on what fees or costs will be charged with SPCOLL Director and with Head of Preservation.
- Confirms packing and shipping arrangements with Conservation and with the Borrower. The borrower normally has the responsibility for making arrangements for the agreed on transport (book the fine art shipping company, book air tickets for couriers, etc.) and paying third-party services directly.
- Sends a PDF of the completed form to the Borrower and requests that they sign and mail back TWO hard copies.
- Gets original signatures for the Library on BOTH copies. See note on **signature authority**, below.
- Mails one original with signatures to the borrower; keeps one in the Special Collections Loan File. Loan documents should be kept in a central file and not only in a staff member's personal space. If necessary, others can retrieve the documents needed. Loan documents should remain on file at least 7 years after the loan as completed, as a record of the transaction and for reference.
- If the borrower wants to use *their* loan agreement form, see note below on **loan agreement forms**.
- Provides a copy of the Loan Agreement (does not require original signatures) to Conservation, for the Loan Document Book that travels with the objects. Clearly mark this document as COPY.

6. Transfer the object(s) to Conservation, where a conservator will:

- Complete any necessary stabilization or conservation treatment.
- Create the pre-loan condition report and images.
- Assemble the **Loan Document Book** (bound packet of all the paperwork that will travel with the loan), including:
  - o cover sheet
  - o staff contacts list
  - o packing list
  - o condition report(s)
  - o images
  - o a non-original copy of the Loan Agreement
  - o a non-original copy of the Certificate of Insurance
- Pack the object(s) for transit.
- Pickup and delivery of the loaned object(s) will normally happen at:

Conservation Lab, University of Michigan Library

837 Greene St., Rm. 3202 Buhr Bldg.

Ann Arbor, MI 48104-3209.

Contact phone: 734-763-2045 (Cons Lab) or 734-763-6980 (Head of Preservation office).

- Commercial shippers will have a duplicate form to document that items have been handed off from the Library to the carrier. The **Outgoing Transport Receipt** may be used in cases where the carrier has no such form (e.g., if an individual is transporting the item). This document is important to record the date/time when insurance may be covered by a different party.

- Conservation keeps a copy of the Loan Document Book on file at Conservation and provides a copy to Special Collections for their Loan File.
7. SPCOLL contact initiates an invoice for any fees or cost recovery charged to borrower.
- Creates an invoice (see form templates and note on **invoices** below).
  - Sends the invoice to the Borrower and a copy to Library Finance ([libfin@umich.edu](mailto:libfin@umich.edu)).
  - Transactions within U-M are handled with journal entries, not checks. See note on **invoices** below.
8. Return after the exhibit
- Special Collections contact arranges a delivery date and means (as agreed on the Loan Agreement). Delivery will normally be to:

Conservation Lab, University of Michigan Library  
 837 Greene St., Rm. 3202 Buhr Bldg.  
 Ann Arbor, MI 48104-3209.  
 Contact phone: 734-763-2045 (Cons Lab) or 734-763-6980 (Head of Preservation office).

- A conservator will perform the post-loan condition examination at the Conservation Lab upon unpacking. This examination is done with the couriers present (if hand delivered) or immediately on receipt (if shipped). The conservator signs the delivery receipts, noting damage if any.
- Conservator documents damage, if any, and reports to the Special Collections contact.
- SPCOLL contact reports to the borrower that the object(s) are accepted as not damaged and sends them a copy of the signed delivery receipt; some borrowers may request a signed release form—a document that formally releases the borrower from any further liability for the item. OR
- Special Collections contact initiates a claim/negotiation to make good on damage.
- Conservation arranges return of the object(s) to Special Collections from the Conservation Lab.
- Special Collections contact clears the return on Aeon and adds a staff note to the Aleph Item Record of the loan. This note can be used to avoid loaning the same objects more than once in a 3-year period.

## Incoming Loans: Step by Step

1. SPCOLL exhibit curator asks owner about borrowing an item for an exhibit.
- Identify a primary U-M Library contact person for the loan, usually the exhibit curator for this exhibit. As much as possible all communication should go through (or at least copy) that person.
  - Make the request at least six months in advance of the exhibit date; loans take time to arrange!
  - Be as specific as possible about what is needed.
  - Be ready to provide the potential lender the information listed on the SPCOLL **Request to Borrow** form; the borrower may ask for additional information, but the Request to Borrow form covers the basics!

## 2. Negotiating the borrow

- Provide requested information about the exhibit location facilities. See note on **U-M Library facilities report** below.
- Ask about requirements regarding packing and shipping; normally the borrower (in this case, U-M) makes arrangements for the agreed transport and pay for third-party services directly.
- Ask about requirements regarding display: mats and mounts (who will prepare them?), restrictions on light, temperature, humidity, and special handling, etc. Consult with Conservation whether these requirements can be met.
- Ask about costs for the lender's conservation time and materials, packing, shipping, couriers, etc.
- Does Special Collections need images for publicity, catalogue, or online exhibit? Does the lender permit such use of images of their object(s)? Are there potential copyright issues with such images (e.g., is the original in the public domain, or still under copyright, so far as is known?). Can the lender help identify the copyright holder, if needed? If the U-M Library will take the images, the borrower must be asked for explicit permission to do so.
- Contact Risk Management about insurance, whatever the value of the items being borrowed. Risk Management can provide a certificate of insurance (issued by the University's insurance broker), if the lender requires one, with about a week's notice. See note on **Risk Management** below.
- If the loan is within the University of Michigan, no certificate of insurance is needed. If the item being loaned exceeds \$100,000, check with Risk Management whether they wish to arrange special extra insurance for the proposed use.
- Invoices for costs should be sent to the SPCOLL contact, who reviews that the charges are as agreed. The invoice then goes to the Director of Special Collections for a signature and an OK to Pay on the designated shortcode, and finally to Library Finance to execute the payment.

## 3. SPCOLL contact fills in the **Incoming Loan Agreement** form.

- Requests information from the Borrower or from Conservation as needed.
- Even if the loan is within the University of Michigan, a formal loan agreement between the parties should be signed.
- Reviews fees or costs and identifies source of funds.
- Confirms packing and shipping arrangements.
- Sends a pdf of the completed form to the Borrower and requests that they sign and mail back TWO hard copies.
- Gets original signatures for the Library on BOTH copies. See note on **signature authority**, below.
- Mails one original with signatures to the borrower; keeps one in the Special Collections Loan File. Loan documents should be kept in a central file and not only in a staff member's personal space. If necessary, others can retrieve the documents needed. Loan documents should remain on file at least 7 years after the loan as completed, as a record of the transaction and for reference.
- Provides a copy of the Loan Agreement (does not require original signatures) to Conservation; Conservation will need to know the packing, shipping, special handling, and display requirements.

- If the lender wants to use *their* loan agreement form, see note below on **loan agreement forms**.

#### 4. Delivery of the loaned object(s)

- Delivery will normally happen at the Conservation Lab:

Conservation Lab, University of Michigan Library

837 Greene St., Rm. 3202 Buhr Bldg.

Ann Arbor, MI 48104-3209.

Contact phone: 734-763-2045 (Cons Lab) or 734-763-6980 (Head of Preservation office).

- A conservator will unpack the object(s).
- A conservator will immediately examine the object as received against the condition report and images, and note any differences on the **Incoming Loan Condition Report**. Unpacking and condition review is done in the presence of the couriers, if delivered by couriers. Any damages must be documented with clear, close-up images.
- The conservator will report on these difference to the SPCOLL contact, who will report them to the Lender (if not already reported to the couriers). Even if there is no damage to report, the SPCOLL contact informs the lender that the object has arrived safely.

#### 5. Return after the exhibit

- The Special Collections contact arranges a delivery date and means (as agreed on the Loan Agreement). Pickup will normally be from:

Conservation Lab, University of Michigan Library

837 Greene St., Rm. 3202 Buhr Bldg.

Ann Arbor, MI 48104-3209.

Contact phone: 734-763-2045 (Cons Lab) or 734-763-6980 (Head of Preservation office).

- A conservator will perform a condition examination after deinstallation using the **Incoming Loan Condition Report** before packing at the Conservation Lab. This examination is repeated with the couriers present (if courier pickup).
- A conservator documents damage, if any, and reports to the Special Collections contact to report to the lender and negotiate remediation. Remediation may include having U-M Library conservators perform treatment work, but the lender must agree to that arrangement in advance in writing.
- A copy of the **Incoming Loan Condition Report** travels with the object(s) back to the owner/owning institution.
- Once the object(s) have returned to their owner/owning institution, a representative for the owner must sign the release section of the **Incoming Loan Condition Report** and send it to the Special Collections contact. The release form indicates that the owner has received the object in the same condition as sent (or with damages as noted) and releases the University from any further liability for the item. If the release form is not received within a week, the Special Collections contact must contact the owner and ask for it.

- The signed release form must be filed with the other loan documents in the Special Collections Loan File.

## General notes about loans

**Signature authority.** A loan agreement is a legally binding agreement between the University of Michigan and an external entity. The University has strict rules about who is authorized to make (sign) such agreements. See the Standard Practice Guide 601.24 and the signature authority tables maintained by U-M Finance at <http://procurement.umich.edu/about-us/forms/signature-authority-tablesauthority-contr> **act. Only an authorized signer can legally sign a loan agreement.** According to the 6/24/2016 update of the signature tables:

- Dean of Libraries/University Librarian may sign for the loan/borrowing of library collections up to \$1,000,000.
- Associate University Librarian for Collections may sign for the loan/borrowing of library collections up to \$100,000.

In both cases the loan “Must use form of contract reviewed by OGC and approved by Procurement Services. Must consult with OGC on any changes to approved form of contract and must receive approval on substantial changes from Procurement Services. Must consult with Risk Management for all artifacts valued at over \$100,000.”

Loans of value over \$1M must be signed by the Provost after the form has been reviewed by General Counsel.

**Loan Agreement Forms.** The U-M Library loan agreement forms (Outgoing and Incoming) were reviewed and approved by the General Counsel’s office (contact: xxx) and by the office of Risk Management (contact: xxx).

Adjustments to the agreement should be made on the face of the Loan Agreement, in the Special Conditions area. Any substantial adjustment or changes to the Conditions and Terms section of the form requires review by the General Counsel’s office and/or office of Risk Management. Note that where the terms read “unless otherwise agreed” or similar language, there is room to record variant agreements for a particular loan without prompting a major review. Such variants might include:

- Waiving some or all costs to the borrower; the costs are the amount stated on the face of the agreement, whether or not they actually cover all of the Library’s expenses.
- Waiving the need for insurance by the borrower and/or a certificate of insurance. This option must be exercised with great care. All parties must be aware that the borrower is liable for the dollar value of the items loaned, whether or not insurance is purchased. Waiving the insurance/certificate might be appropriate if the dollar value of the items loaned is very low, say under \$100. **ASK if you’re not sure what is appropriate.**
- Fine-tuning what photography is or is not permitted.

A borrowing or lending organization may ask or require that we use their loan agreement forms, not ours. At present this request is problematic, since the University has no agreed on delegation for who can approve this alternate arrangement. Ultimate authority rests with

the Executive Vice President/Chief Financial Officer (EVPCFO) of the University, who is responsible in the legal sense for all University assets—and if necessary the request to use an alternate loan agreement form could go to this person until a delegated authority/process for approval can be agreed to by the Dean of the Library and the EVPCFO.

**Intra-University Loan Agreement Forms.** If the borrower is a department or institution within the University of Michigan, the alternate form *Intra-University Outgoing Loan Form* should be used. The University will not (and legally can not) sue itself. Therefore a loan agreement within the University is in effect a memorandum of understanding that cannot be enforced by law. The wording of this agreement does not need to be approved by General Council and may be modified at will at the time the agreement is made. The form provided is available for use and, as a matter of Library policy and best practice, requires the approval of the AUL for Collections for any loan over \$100,000 in value, and that Risk Management is informed in advance that materials exceeding \$100,000 value will be exposed to the additional risk of the loan.

**Risk Management.** The Library must consult Risk Management about any proposed loan with a total value of \$50,000 or more and about all proposed incoming loans (U-M is borrower), since Risk Management will be covering the insurance. If there is an incident involving an incoming loan, note that U-M has a \$150,000 deductible; the deductible is typically paid by Risk Management unless there is evidence that the Library behaved negligently. U-M insurance transit coverage allows up to \$50 million (relevant if U-M is insuring the item in transit, typically for incoming loans). Outgoing loans are insured by the borrower in transit; part of negotiating the loan is to be sure that the “in transit” part is indeed covered. In sum: if the item on loan is particularly valuable and/or there are concerns about the viability of the borrower, the Library must discuss with Risk Management whether any of these issues require special arrangements or proof of insurance.

Contact at Risk Management: xxx.

**Traveling exhibits.** If the exhibit will travel to multiple locations (whether a loan or a borrow), each stage of travel must be documented in the loan agreement along with shipping arrangements between venues. For loans, the Library should request and review facilities reports for *each* location and for any storage arrangements between venues. The Loan Agreement must specify who is covering insurance for each step and exactly where the hand-offs are, if any.

**U-M Library facilities report.** Conservation has an ACRL/RBMS style facilities report for the Audubon Room on file and can create similar documents for other locations. See the format specified by the American Library Association Rare Books and Manuscripts Section *Guidelines for Interlibrary and Exhibition Loan of Special Collections Material* (<http://www.ala.org/acrl/standards/specialcollections>). The Library does not have an American Alliance of Museums (AAM) General Facilities Report and will avoid preparing one if at all possible. The General Facilities Report form is only available from AAM for a fee and the information specified is long, complicated—and mostly irrelevant to our rather small and specific exhibit areas.

**Invoices.** Library Finance can assist with creating and processing invoices and should be alerted as soon as possible if a money transaction will be involved in a loan.



As of July 1, 2014, the invoice process is handled through Central finance; for the Library our process is as follows:

Contact Library Finance with the following information about the organization that is being invoiced:

- Contact name
- Mail address
- Email address
- Phone number
- What charges are to be invoiced
- What shortcode should those charges pay into
- Why the invoice? (a simple explanation of the transaction)

Library Finance will provide the information to Central; Central will immediately credit the shortcode, invoice the organization/person, and track the invoice (resubmitting it after 30 days as needed).

Invoices *billing the Library* (for an incoming loan) should go to the Library's loan contact person, who can verify that the services and amounts are as agreed and received. The invoice then goes to the authorized signer on the shortcode to be used for the expense (typically the Director of Special Collections), who can endorse the invoice as OK to Pay, specify the shortcode, and send the invoice along to Library Finance to process the payment.

Transactions within U-M (payments in either direction) are handled with journal entries, not checks. Prepare an invoice to document the transaction. Ask the borrower to designate the shortcode that will supply the funds and designate the shortcode the money will deposit into. Provide a copy of the invoice and all this information to Library Finance; either Library Finance or financial staff in the borrowing department can do the journal entry—just make sure everyone knows who is doing it.

**Circulating collection books.** These guides are intended specifically for special collections materials. Occasionally other University or external organizations may request to borrow a book from the Library's circulating collections for exhibit. The process described here may be applied to circulating books, especially if a group of both circulating and special collection books are being loaned or if special preparation work is required. Alternatively, sometimes the book is simply checked out to a borrower for the duration of the exhibit. The latter alternative usually works best if the borrower is from the University community and already has borrowing privileges. In either case, **it is important to work with a regular staff member at the circulation desk of the owning library.** That person can see that the book is checked out for the entire period of the loan, can block hold requests on the book while it is on display, and can add a note in the Circulation Record explaining how the book is being used.

### Potential Cost Factors

Managing an exhibit loan is time-consuming; a straightforward loan can take 10-15 hours to prepare; a complex loan can easily take 40 hours and up. Established museums that

regularly borrow items for exhibit will expect to accept the costs of insurance, transit, preparation, and other costs directly related to the loan. Less established borrowing venues may not be aware of the effort that goes into a loan. One purpose of the **Request to Borrow** form is to alert potential borrowers that there may be costs involved.

It is recommended that the SPCOLL contact person and the Head of Preservation and Conservation use the following check-list to create an estimate of the time, materials, and other costs that will be required to fill a loan request. A negotiation (among the SPCOLL contact, the Director of Special Collections, and the Head of Preservation and Conservation) may then follow and a decision to:

- Charge all costs to the borrower, plus a loan fee;
- Charge all costs to the borrower (cost-recovery only);
- Charge some costs to the borrower, waiving others;
- Abandon the proposed loan as too costly.

The last is most likely to apply if the volume of loan requests starts to overwhelm the resources available to support them.

The following checklist is not exhaustive; each loan is different!

**Context of the borrowing organization and exhibit:**

- Will the exhibit be open to the public without charge?
- Will the exhibit be open to the public behind a general admission fee?
- Will there be a special charge to the public for this exhibit, over and above general or free admission?
- What benefits (publicity, good will) accrue to the Library from this loan?

Considerations: If the borrowing organization is making money on the exhibit, it may be reasonable to charge a loan fee over and above cost recovery. On the other hand, charges might be waived if there are significant benefits to the Library and the Library's mission.

For staff time, calculate an hourly rate (remember to factor in benefits and vacation and other "non-production" time when making these calculations) and multiply by the hours estimated or worked on the loan. The averaged lab rate for Conservation time is \$75/hr. as of January 2014.

**Curator/Administration time may include:**

- Communications with the borrower
- Assistance with selection
- Pull materials for selection; put away again
- Assemble/provide information about the object(s)
- Tracking materials in our systems (Aleph and Aeon)
- Write text for the label for the object(s)
- Other support for presentation: scripts, gallery tours, video clips or recordings
- Coordination with Conservation
- Review borrower's facilities report (with Conservation)
- Organize logistics of transportation
- Organize logistics for couriers
- Determine value for insurance
- Organize insurance; consult with Risk Management

- Prepare loan agreement; get signatures; exchange agreements
- Prepare invoice
- Process invoice (done by Library Finance)
- Purchase any special supplies needed (e.g. for packing)
- Communications about damage during loan; negotiate actions
- Publicity (usually the responsibility of the borrower, of course)

**Conservation time may include:**

- Assess what can be displayed and/or travel safely
- Conservation treatment
- Review borrower's facilities report (with Curator/Admin)
- Pre-loan examination and condition report
- Pre-loan photography
- Design exhibit supports
- Construct exhibit supports
- Design packing and pack
- Courier (transport; examination and installation on site)
- Unpack on return
- Post-loan examination
- Document (in writing, images) damage, if any

**Digital Conversion Unit time may include:**

- Taking images specifically for the borrower
- Preparing those images to the borrower's specifications
- Arranging the transfer of large files to the borrower

**Appendices: Forms**

Request to Borrow  
 Outgoing Loan Agreement  
 Intra-U Outgoing Loan Agreement  
 Incoming Loan Agreement  
 Outgoing Transport Receipt  
 Incoming Delivery Receipt  
 Incoming Loan Condition Report  
 Invoice  
 Cost/Logistic Worksheet for Couriers

Additional form templates are used by Conservation, for assembling the Loan Document Book (travels with loaned item):

- Loan documents book cover sheet and index form
- Staff contacts list
- Loan condition report for bound books
- Loan condition report for unbound materials
- Packing list