



INDIANA HISTORICAL SOCIETY COLLECTIONS ADVISOR

A RESOURCE FROM IHS LOCAL HISTORY SERVICES

[LOCAL HISTORY SERVICES](#) | [INDIANA HISTORICAL SOCIETY](#) | [PAST ISSUES](#) | FOLLOW LHS ON:  

Issue 85 | December 2018

LOANING MUSEUM OBJECTS

By Karen DePauw, coordinator, IHS Local History Services

Last month we considered the questions to ask when someone wishes to use a digital photo of an item in your collection (if you missed it, check it out [here](#)). This month, consider what happens when someone wishes to borrow the actual item. What sorts of policies and procedures should be in place at the museum for outgoing loans? What types of questions should be asked of the potential borrower prior to approving the loan?



[American Airlines Employees Participate in Loan Drive.](#) (Indiana Historical Society)

The first step in determining the viability of a loan is to ask two general questions: "Can/will this organization care for the loaned item as well as, or better than, we do at the museum?" and "Will making this loan extend the museum's mission beyond its walls?" If either answer is no, then a serious consideration of the loan should be undertaken. Items in museum collections are held in the public trust with an expectation of care, and that expectation does not disappear just because the item is not at the museum. Furthermore, the collection should be the embodiment of the museum's mission, so by extension anything done with the collection should also take into account the mission.

Beyond these, there are some other general questions to ask that can help determine whether or not a loan should be made. These questions should be answered in a loan policy that would aid anyone working for the museum (whether volunteer or paid staff) to know the basics. A loan policy can be a separate policy, but it is most likely found as a sub-section of the collections



ONLINE RESOURCES

[Loaning Collections to Non-Museum Entities](#)
(American Alliance of Museums)

[Form Swap](#)
(Collections Stewardship)

[Outgoing Loan Agreement](#)
(Collections Stewardship)

[There's a Form for That](#)
(Connecting to Collections)

[Loan Program](#)
(National Museum of American History)

[National Museum of American History Loans Policy](#)
(National Museum of American History)

FROM OUR LENDING RESOURCE CENTER

[Collection Conundrums: Solving Collections Management Mysteries](#)
(Rebecca A. Buck and Jean Allman Gilmore)

[A Legal Primer on Managing Museum Collections](#)
(Marie C. Malaro and Ildiko Pogany DeAngelis)

[Registration Methods for the Small Museum](#)
(Daniel B. Reibel, revised by Deborah Rose and Van Horn)

management policy as it all has to do with the overall care of the collection. Remember, just because the potential borrower "correctly" checks all of the boxes in the loan policy does not mean that the museum has to grant the loan. There may be additional reasons not to grant the loan (poor condition of an object is a pretty typical example of why a loan request may not be granted).

UPCOMING TRAINING AND PROGRAMS

[Caring for Scrapbooks](#)
Dec. 14 -
Lyrasis webinar.

The museum's loan policy should answer the following questions:

- What types of institutions will the museum loan to? Public? Private? Non-profit? For-profit? Educational?
- How long will a standard loan be granted? (Generally a loan period should not extend past one year, however, depending on the condition of the object or the method of display, it might be a good idea to have a shorter loan period.)
- Who at the museum can approve the loan? Most museums require board approval, but it is ultimately up to the individual institution.
- For what purpose can items be loaned?
- Will the museum's insurance cover the loaned item or will the borrower be expected to cover it? (Check your insurance policy as that will provide some guidance here.)
- How will items be physically transferred between the museum and the borrower?
- How will loans be monitored for compliance with the loan terms and conditions?
- Is there a fee associated with items loaned by the museum?



[Corporal Howard McVean, Cadet Marguerite Ellis, and Corporal Clark Flockinger Share a Milk.](#) (Indiana Historical Society)

Beyond the loan policy, the museum should have a loan agreement clearly outlining the terms of the loan and conditions the borrower is expected to follow. Many of these terms and conditions are broad-based, making it fairly simple for a museum looking to create a loan document for the first time to look up similar loan documents from other museums and adjust where necessary.

Below are a few things generally covered in the terms and conditions sections of a loan agreement:

- Outline of how the museum has decided to deal with the insurance and transfer of loaned items as determined by the loan policy.
- What are the expectations of care for the item while in the borrower's custody? (An item on loan should receive the same care as it would in the museum, at least.)
- When will the loan term end, and is it renewable? **ALL** loans should have an end date. No loan should be "permanent." This is for two reasons: 1) it allows the loaning institution to check in on the item at designated points and make sure all terms and conditions of the loan are being followed and that the loan does not need recalled for any reason (from care mismanagement, to the museum simply needing the object for exhibition); and 2) It allows

the borrowing institution to easily return the loan for any reason. Even if the museum intends for the loan to be "permanent" and remain with the borrower for the foreseeable future, it is the museum's obligation to the public to make sure the item is being cared for and used properly. The best way to do this is to set up the expectation that the museum will check in on the loan at least once a year at the agreed upon end date and make a determination of whether or not the loan will be renewed for another year.

- What types of situations may cause the museum to recall the loan prior to the agreed upon end date? (i.e.: display outside, in front of an unprotected window, in an unlocked case. Keep in mind that these situations should be ones that would fly directly in the face of the museum's mission OR be harmful to the object.)
- Is there a required credit line that must be displayed with the item or noted in any press?
- Who bears the cost of the loan, from packaging of the item to transportation?
- How can the item be used by the borrower? Just because the borrower has the item for an exhibit does not give them the right to take the item offsite for school programs. Make the approved use of the item clear in the agreement. Also consider how the item, or its image, can be reproduced or publicized.
- A clear outline that the temporary transfer of physical possession of the item does not result in the legal transfer of possession of the item.



[John Herron Art Institute exhibit gallery, 1912.](#) (Bass Photo Co Collection, Indiana Historical Society)

Finally, all loan agreements should contain the following information:

- Name and contact information of loaning institution.
- Name and contact information of borrowing institution, plus the name of a particular contact person.
- Date loan will begin and end.
- A thorough description of the item(s) being lent. If the loaning institution does not have the item marked with an accession number, one should be assigned prior to the loan. Photographing the item prior to loaning it can also be a good idea, not only for identification purposes, but also to check the condition upon return. It can also be a good idea to do a full condition report of the item both before it leaves the museum and as soon as it returns.
- Any special display or handling requirements. This is a great place to note things that are object specific, like light-levels for sensitive objects, or whether or not an item must be displayed in a locked case, et cetera.
- Required credit line for use with the object.
- Who will provide insurance for the item while on loan.
- A dated signature for both the loaning institution and the borrower when the item goes to the borrower.

- A place for the signature of both again when the item is returned to the loaning institution.

It is not uncommon for both the loaning and borrowing institutions to have paperwork for loans (most museums have paperwork that covers incoming loans just as they do for outgoing loans). If this is the case, it is important for the two organizations to discuss whose paperwork will be used (it is generally the more conservative of the two) in order to avoid confusion if portions of the agreement are at odds with one another. Another option is to amend one loan form so it covers all bases.

Essentially what this all boils down to is that when a museum loans an item from its collection to another entity, the care of the item and the mission of the museum should never be compromised.

This is a free publication. Anyone may subscribe.

[Local History Services](#)

Indiana Historical Society, 450 West Ohio Street, Indianapolis, IN 46202
(317) 232-1882 | [\[email protected\]](#)

**WE DO
HISTORY.**
INDIANA HISTORICAL SOCIETY



Smithsonian Affiliate



PROUD MEMBER OF THE
International Coalition of
SITES of CONSCIENCE

Indiana's Storyteller™, Connecting People to the Past