I. Purpose

Explains the loan of various items by private owners to the University of North Carolina at Wilmington.

II. Scope

Applies to all university departments for all types of items loaned for various reasons.

III. Policy

From time to time, it may be beneficial to the university to accept the loan of various items from private owners. Prior to the university accepting the responsibility for any loaned item(s), written permission from the appropriate university official must be obtained and a loan agreement between the university and the lender must be executed. Any person or department wishing to make use of a loaned item(s) must follow the procedures listed below.

A. Initiating Request

A memorandum requesting permission to accept the loaned item(s) must be submitted to the appropriate Dean or Senior Officer.

B. Routing

A copy of the memorandum granting permission must be furnished to the Risk Management Office in Business Affairs.

C. Loan Agreement
The Department initiates a loan agreement, signed by the lender. The university will not assume any responsibility for loaned items prior to the execution of the loan agreement being reviewed by the Risk Management Office.

D. Copies

A copy of the loan agreement will be forwarded to the Risk Management Office. A second copy will be given to the lender. The original will be kept on file by the Department.

E. Insurance for Items on Loan

1. Certain items considered “art” or “fine art” is covered under an endorsement to our Fine Art policy. Certain conditions apply and are subject to limits of declared value and total art on loan at one time. If the lender requests a certificate of insurance while it is in our care the department can request one through the Risk Management Office. The request will be sent to the Department of Insurance for approval and confirmation of coverage. Unless the department has requested a certificate of insurance, no assumption of coverage should be made by the department or lender. If the items on loan meet the conditions of the endorsement, no additional charge will be incurred by the department. If it exceeds the limits, coverage insurance may be available at an additional cost to the department.

2. For all non art items, insurance coverage may be available if it is a condition of the loan. The department should submit the request to the Risk Management Office who will obtain a quote and confirmation of coverage. No assumption of coverage is to be made by the department until written confirmation has been received from the Risk Management Office. The University does not provide insurance coverage for non owned merchandise. It may be available at an additional cost to the department.

IV. Procedure

Any person or department wishing to make use of a loaned item(s) must follow the below listed procedures:

A. Initiating Request

A memorandum requesting permission to accept the loaned item(s) must be submitted to the appropriate Dean or Senior Officer.

B. Routing
A copy of the memorandum granting permission must be furnished to the Risk Management Office.

C. Loan Agreement

The Risk Manager (designated as Insurance Officer) initiates a loan agreement, signed by the lender. The university will not assume any responsibility for loaned items prior to the execution of the loan agreement. (See sample loan agreement.)

D. Copies

A copy of the loan agreement will be forwarded to the appropriate department. A second copy will be given to the lender. The original will be kept on file by the Risk Manager.

E. Contract Termination

The Risk Manager will be responsible for advising the department of the contract termination. At that time, the property should be returned to the lender or the contract re-negotiated.