Asset Loan Agreement Procedure
Procedure #: 110.10
Rev.: 0
Effective Date: January 1, 2017

Related Policy:  Capital Equipment Policy
Functional Owner:  Property Control, Business Services
Contact:  Property Control Manager: (608) 890-3131
Property Control Mailbox:  Property@bussvc.wisc.edu

Contents

I. Procedure Statement
II. Who is Affected by this Procedure
III. Procedure
IV. Contact Roles and Responsibilities
V. Definitions
VI. Related References
VII. Revisions

I. Procedure Statement

To maintain control and assign responsibility for capital equipment removed from University premises, Property Control must authorize the loan of, and track assets. Completion of Form 110.10F Asset Loan Request Form is required when equipment is to be borrowed for more than 30 days and will reside at a location not directly associated with the University. Property Control must authorize loans before equipment is removed from campus. Risk Management should also be notified for executing appropriate insurance and risk management activities.

- Equipment may be loaned for a specified period (maximum five years), and the borrower must sign an Agreement for Loan of University Property within 30 days prior to the loan.

- Property Control will monitor loaned equipment aging and will work with the DPA 30 days prior to the end of the agreement term to determine and formalize if the loan will be renewed or ended. Property Control will require a new agreement to extend beyond one year.

II. Who is Affected by this Procedure

- Departmental staff members, Responsible Employee
- DPA
- Property Control
- Borrowing institution or entity
- Risk Management
III. Procedure

The following steps represent the overall process:

1. The employee responsible for the equipment notifies the DPA for guidance on the capital equipment loan procedures, as well as contacts Risk Management to inquire about insurance guidelines.

2. The DPA works with the Responsible Employee to gather the terms of the loan (i.e. the duration of the loan) and contact information for the borrowing institution or entity to which the capital equipment will be loaned.

3. The DPA completes the Form 110.10F Asset Loan Request Form and obtains signatures of approval from Department Chair/Dean/Director. The form is submitted to Property Control.

4. Property Control reviews the request and the funding sources of the equipment. If funding sources include sponsored funding, Property Control will verify with RSP to confirm if equipment can be loaned to another institution or entity. Equipment that is owned by a sponsor (e.g. title vests with Federal agency) cannot be loaned to another institution or entity without written consent from the sponsor.

5. Property Control authorizes the equipment loan and notifies the DPA, the Responsible Employee, and Department Chair/Dean/Director.

6. Property Control prepares an Agreement for Loan of University Property, which is to be signed by the borrowing institution. The agreement should be signed by the borrowing institution or entity at least 30 days prior to the loan.
   a. Property Control will work with the DPA, Responsible Employee and Department Administrators to coordinate and obtain sign-off from the borrowing institution. The responsible party for obtaining approval is the individual negotiating the loan of equipment to the borrowing institution. This is most often the Principal Investigator, but may be other parties. Property Control intends to team with the DPA to ensure appropriate personnel approve the loan prior to allowing the equipment to be borrowed.

7. Upon receipt of signed Agreement for Loan of University Property, Property Control provides a signature and sends a copy of the fully executed loan agreement to the DPA and borrowing institution or entity.

8. Property Control notifies the DPA and Responsible Employee that loan agreement is signed and the equipment can be shipped to the borrowing institution or entity.

9. Property Control updates the asset management system to indicate that the equipment has been loaned to another institution or entity.

10. The DPA, Building Manager and/or Responsible Employee coordinate shipment of capital equipment to the borrowing institution or entity.

11. When the loan agreement approaches its end date, Property Control will contact the DPA to initiate conversations to determine whether an extension of the loan agreement is necessary.
### IV. Contact Roles and Responsibilities

<table>
<thead>
<tr>
<th>Asset Loan Agreement</th>
<th>Responsible Employee</th>
<th>DPA</th>
<th>Dept Chair/Dept Admin</th>
<th>Property Control</th>
<th>Bldg Mgr</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Notify DPA and Risk Management of loan request.</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) Gather terms of loan and contact information for borrowing institution.</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) Complete Form 110.10F Asset Loan Request Form, obtain signatures and submit to Property Control.</td>
<td>X</td>
<td></td>
<td>X</td>
<td>(signs request form)</td>
<td></td>
</tr>
<tr>
<td>4) Loan request is reviewed for approval.</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) Once approved, notification is sent to DPA, Responsible Employee and Department Chair/Dean/Director/Designee.</td>
<td>X</td>
<td>(Prop Cont may need assistance)</td>
<td>X</td>
<td>(Prop Cont may need assistance)</td>
<td>X</td>
</tr>
<tr>
<td>6) Agreement for Loan of University Property is prepared and sent to borrowing institution or entity.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>7) A copy of the fully executed loan agreement is sent to DPA and the borrowing institution.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>8) Notice to proceed with shipment of equipment is sent to DPA and Responsible Employee.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>9) Update asset management system.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>10) Coordinate shipment of the equipment to the borrowing institution or entity.</td>
<td>X</td>
<td>X</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>11) When loan agreement approaches end date, contact DPA to determine next step.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

### V. Definitions

- Capital Equipment Definitions

### VI. Related References

- Form 110.10F Asset Loan Request Form
## VII. Revisions

<table>
<thead>
<tr>
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<tr>
<td>Date Approved</td>
<td>January 1, 2017</td>
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<tr>
<td>Revision Dates</td>
<td>09/12/18 – Updated Form 110.10F</td>
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