

Extended service contracts

The following guidelines are offered to help decide whether or not an extended service contract should be purchased for equipment or assistive technology. State Purchasing has no policy regarding purchasing extended service contracts. Vendors offer extended service contracts to provide preventive maintenance. These extended service contracts may or may not include parts and labor if an item malfunctions.

To decide whether or not to purchase an extended service contract, these points should be considered:

1. Is the item being purchased an expensive, high tech item?
2. Does the item have many moving or high impact parts that may fail early?
3. Will the item have to be repaired out of state by the vendor?
4. Will repair costs be substantially less than purchasing a new item?
5. Do "fine print" exclusions make the service contract less attractive?

Whether or not to purchase an extended service contract is a decision shared by the counselor and client. It pays to know what is being purchased. Extended service contracts can be good or bad but an "informed buyer" will likely recognize the difference.