242.7200 Scope of subpart.

- (a) This subpart provides policies, procedures, and standards for use in the evaluation of a contractor's material management and accounting system (MMAS).
- (b) The policies, procedures, and standards in this subpart—
- (1) Apply only when the contractor has contracts exceeding the simplified acquisition threshold that are not for the acquisition of commercial products or commercial services and are either—
- (i) Cost-reimbursement contracts; or
- (ii) Fixed-price contracts with progress payments made on the basis of costs incurred by the contractor as work progresses under the contract; and
- (2) Do not apply to small businesses, educational institutions, or nonprofit organizations.