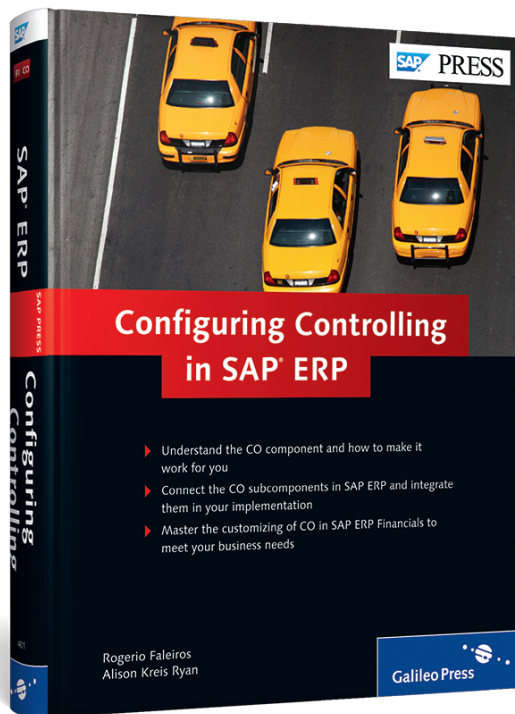


Rogério Faleiros and Alison Kreis Ryan

Configuring Controlling in SAP® ERP



Galileo Press 

Bonn • Boston

Contents at a Glance

1	General Controlling	21
2	Cost Element Accounting	71
3	Cost Center Accounting	97
4	Internal Orders	169
5	Activity-Based Costing	217
6	Product Cost Controlling	241
7	Profitability Analysis	361
8	Profit Center Accounting	449
9	Conclusion	535

Contents

Acknowledgments	13
Preface	15
Introduction	17

1 General Controlling 21

1.1 Organization	26
1.1.1 Creating the Controlling Area	32
1.1.2 Maintain Number Ranges for Controlling Documents	38
1.1.3 Maintain Versions	41
1.2 Account Assignment Logic	49
1.2.1 Define Validation	49
1.2.2 Define Substitutions	58
1.3 Production Start-Up Preparation	62
1.3.1 Transport System Settings	62
1.3.2 Delete Test Data	64
1.3.3 Set "Update All Currencies" Indicator	65
1.3.4 Follow-Up Posting	66
1.4 Archiving	68
1.5 Summary	70

2 Cost Element Accounting 71

2.1 Master Data	72
2.1.1 Automatic Creation of Primary and Secondary Cost Elements	76
2.1.2 Cost Element Groups	79
2.1.3 Cost Element Attributes and Cost Element Attributes Mix ...	81
2.1.4 Time-Based Fields for Cost Elements	83
2.2 Accrual Calculation	85
2.3 Information System	91
2.4 Summary	94

3 Cost Center Accounting 97

3.1 Master Data	99
3.1.1 Cost Center Master Data	100

3.1.2	Activity Types	106
3.1.3	Statistical Key Figures	112
3.1.4	Resources	114
3.2	Planning	114
3.2.1	Basic Settings for Planning	115
3.2.2	Manual Planning	119
3.2.3	Planning Aids	125
3.2.4	Plan Data Transfer	129
3.2.5	Allocations	130
3.3	Budget Management	153
3.4	Commitments and Funds Commitments	155
3.5	Actual Postings	156
3.5.1	Manual Actual Postings	156
3.5.2	Period-End Closing	158
3.5.3	Variances	159
3.6	Information System	162
3.7	Summary	167

4 Internal Orders 169

4.1	Master Data	171
4.1.1	Define Order Type	171
4.1.2	Status Management	176
4.2	Planning	183
4.2.1	Basic Settings	183
4.2.2	Manual Planning	184
4.2.3	Maintain Settlement	187
4.3	Budgeting and Availability Control	198
4.3.1	Maintain Budget Profile	199
4.3.2	Maintain Number Ranges for Budgeting	201
4.3.3	Define Tolerance Limits for Availability Control	201
4.3.4	Specify Exempt Cost Elements from Availability Control	202
4.3.5	Set Up Availability Control Again	203
4.3.6	Maintain Budget Manager	204
4.4	Commitments and Funds Commitments	206
4.5	Actual Postings	208
4.6	Information System	210
4.7	Summary	214

5	Activity-Based Costing	217
5.1	Master Data	219
5.2	Templates	224
5.3	Planning	232
5.3.1	Maintain Versions	232
5.3.2	Group Maintenance	232
5.3.3	Manual Planning	233
5.3.4	Plan Data Transfer	233
5.3.5	Allocations	233
5.4	Actual Postings	234
5.5	Information System	235
5.6	Summary	239
6	Product Cost Controlling	241
6.1	Product Cost Planning	243
6.1.1	Material Master Data	243
6.1.2	Basic Settings for Material Costing	255
6.1.3	Material Cost Estimate with Quantity Structure	266
6.1.4	Costing Variant	283
6.1.5	Create Cost Estimate	292
6.1.6	Mark Standard Price	296
6.1.7	Release Planned Price Changes	299
6.2	Cost Object Controlling	301
6.2.1	Product Cost by Period	301
6.3	Actual Costing/Material Ledger	335
6.3.1	Material Update	339
6.3.2	Actual Costing	344
6.4	Information System	350
6.4.1	Product Cost Planning	350
6.4.2	Cost Object Controlling	353
6.4.3	Actual Costing/Material Ledger	356
6.5	Summary	359
7	Profitability Analysis	361
7.1	Structures	362
7.1.1	Characteristics	363

7.1.2	Value Fields	369
7.1.3	Operating Concern	371
7.1.4	Assign Controlling Area to an Operating Concern	378
7.2	Activate CO-PA for a Controlling Area	379
7.3	Master Data	380
7.3.1	Characteristic Values	381
7.3.2	Characteristic Derivation	384
7.3.3	Valuation	388
7.4	Flows of Actual Values	406
7.4.1	Transfer of Incoming Sales Orders	407
7.4.2	Transfer of Billing Documents	410
7.4.3	Order and Project Settlement	412
7.4.4	Transfer of Overhead	417
7.5	Planning	419
7.6	Information System	434
7.6.1	Define Forms for a Profitability Report	434
7.6.2	Create a Profitability Report	437
7.7	Tools	442
7.7.1	Transport	442
7.7.2	Subsequent Posting of SD Documents	444
7.8	Summary	446

8 Profit Center Accounting 449

8.1	Basic Settings	450
8.2	Master Data	454
8.3	Assignments of Account Assignment Objects to Profit Centers	464
8.4	Transfer Prices	465
8.4.1	Maintain Currency and Valuation Profile	467
8.4.2	Create Versions for Valuation Methods	469
8.4.3	Activate the Material Ledger	472
8.4.4	Set Up EC-PCA Transfer Price	474
8.4.5	Create Costing Variant for EC-PCA	485
8.4.6	Activate Multiple Valuation Approach	488
8.4.7	Transfer Price Example	489
8.5	Planning	498
8.5.1	Basic Settings for Planning	499
8.5.2	Manual Planning	500
8.5.3	Formula Planning	500

8.5.4	Plan Data Transfer	500
8.5.5	Allocations	506
8.6	Actual Postings	506
8.6.1	Basic Settings	507
8.6.2	Choose Additional Balance Sheet and P&L Accounts	509
8.6.3	Period-End Closing	512
8.6.4	Transferring Selected Balance Sheet Items	512
8.6.5	Actual Data Transfer	517
8.7	Preparation for Consolidation	522
8.7.1	Derivation: Partner Profit Center in Purchasing and Sales ...	522
8.7.2	Read Purchase Orders/Sales Orders	524
8.8	Information System	525
8.9	Tools	528
8.9.1	Transport Environment	528
8.9.2	Transport Master Data	529
8.9.3	Transport Settings for Planning	530
8.9.4	Transport Settings for Actual Postings	532
8.9.5	Transport Assessment/Distribution Cycles	533
8.9.6	Transport Information System	533
8.10	Summary	534
9	Conclusion	535
	The Authors	539
	Index	541

Cost Element Accounting is a foundational element in SAP Controlling. You'll learn how to establish a structure to best support the information objectives of your organization.

2 Cost Element Accounting

After completing all of the initial steps to activate SAP ERP Controlling (CO), you can now establish a customized structure of cost elements. Cost elements are required structural components for CO to be activated, and the structure you define in these steps will be used by all of the other subcomponents that you'll learn about in later chapters. In this chapter, you'll learn how Cost Element Accounting (CO-CEL) classifies the costs and revenues that are posted to CO and how it provides the capability for reconciliation of costs in CO with the Financial Accounting (FI) component. You'll learn how to establish your own customized master data structure for CO-CEL, how to use accrual calculations, and how to access and use the most important reports available in SAP ERP for CO-CEL.

CO-CEL allows identification of the nature of revenues and costs in the CO component of SAP ERP. CO uses a combination of cost objects and cost elements to classify postings, and therefore establishing a structure of cost elements is a required step in the activation of CO. The structure determined for the cost elements and cost objects together will determine how CO information will be available for use in reporting and analysis, so—as with all of the areas—you should have a clear blueprint of the desired result to follow when customizing this area. Without a well-planned cost element structure, you will not be able to take full advantage of the accounting and reporting power that the CO component provides.

Cost objects are all of the cost collectors reflected in CO such as cost centers, internal orders, WBS elements, business processes, and production orders.

Cost elements classify costs and revenues in CO by type in a similar manner as accounts are used in FI. This chapter will explain the different types and show you step by step how to customize all aspects of cost elements in your SAP ERP system.

2.1 Master Data

In this section, we'll explain how the cost elements are divided in categories and also how to create the cost elements in a collective way, how to group the cost elements, how to create the cost element attributes, and how to determine time-based fields for cost elements.

Cost elements can be either primary or secondary cost elements:

- ▶ Primary cost elements are the FI P&L accounts that are reflected in CO (e.g., Energy, Material, Services, Labor, and Maintenance). When an FI account has a corresponding cost element, the posting in FI will be reflected in CO and also be associated with a cost object, such as cost center, internal order, or production order. Figure 2.1 shows one example of a primary cost element viewed using Transaction KA03.

The screenshot displays the 'Display Cost Element: Basic Screen' in SAP. The main data fields are as follows:

Cost Element	414302	Transport
Controlling Area	2000	Controlling Area US, DE
Valid From	01.01.2011	to 31.12.9999

Below the main data, there are tabs for 'Basic Data', 'Indicators', 'Default Acct. Assgmt', and 'History'. The 'Names' section shows:

Name	Transport
Description	Transport

The 'Basic Data' section shows:

CElem category	1	Primary costs/cost-reducing revenues
Attribute mix		
Functional Area	YB20	Production

Figure 2.1 Primary Cost Element Example

Note

Cost elements aren't created automatically when a P&L account is created in FI. You must decide when creating new FI accounts whether there should be a corresponding cost element. However, if you want cost elements to be automatically created when P&L accounts are created in FI, you can select the CONTROLLING INTEGRATION option in the chart of accounts definition with Transaction OB13.

- ▶ Secondary cost elements are cost elements restricted to CO. They do not exist in FI but are only used to perform internal allocations in CO. For example, an activity performed by a cost center and charged to a production order will use a secondary cost element to credit the cost center and debit the production order. Figure 2.2 shows one example of a secondary cost element viewed using Transaction KA03.

The screenshot displays the 'Display Cost Element: Basic Screen' in SAP. The main data fields are as follows:

Cost Element	620005	Maintenance
Controlling Area	2000	Controlling Area US, DE
Valid From	01.01.2011	to 31.12.9999

Below the data fields are four tabs: 'Basic Data', 'Indicators', 'Default Acct Assgmt', and 'History'. The 'Names' section shows:

Name	Maintenance
Description	Maintenance Assessment

The 'Basic Data' section shows:

CElem category	42	Assessment
Attribute mix		
Functional Area		

Figure 2.2 Secondary Cost Element Example

Let's consider an example of how the values flow for depreciation expense to demonstrate a process with both primary and secondary cost elements.

Depreciation is posted in a production cost center from the Asset Accounting component (FI-AA), using the cost center in the asset master data. This posting will be made simultaneously in both FI (in the account for depreciation expense) and in CO (using a corresponding primary cost element).

After that, when the production is confirmed, a portion of the depreciation from this production cost center will be sent to the product using an activity type and a secondary cost element in CO. This posting is not reflected in FI.

Cost elements are also divided into categories. The category has a technical control function. It determines the nature of the posting, whether it is a revenue or cost, whether it is a direct or indirect posting (activity type), and finally whether it is an internal or external posting to CO.

There are six categories for primary cost elements and nine categories for secondary cost elements.

The following are descriptions of the primary cost element categories:

► **1 – Primary costs/cost-reducing revenues**

These cost elements are used for primary postings; costs from other components, such as depreciation from FI-AA, purchases to a cost center from MM, labor from HCM; and also other direct postings from FI. You can also use this category for cost-reducing revenues, for example, if you have received a payment for rent from a sublease and want to offset this against the main rental cost in CO. Note that this use is different from the cost element categories 11 and 12, designed to be used for true revenues.

► **3 – Accrual calculation using the percentage method**

When using the accrual calculations (CO-CCA), a cost element of this type must be defined to post the credit and the debit in the cost objects related to the accrual.

► **4 – Accrual calculation using target equal to actual method**

This category is also used for accrual calculation, but in this case, the system uses the target value to post the accrual.

► **11 – Revenues**

Use this category for cost elements for revenues. Revenues are displayed in CO with a negative sign (credit). An exception to this is Profitability Analysis (CO-PA). In CO-PA, revenues are displayed with a positive sign (+).

Note

If revenues are posted to cost centers using a cost element with category 11 or 12, the values appear as statistical information only. This means that revenues can be reposted for posting adjustments to other cost centers, but another allocation is not possible. Revenues are ignored in iterative activity price calculation and are therefore not included in the allocation price of an activity type.

► **12 – Sales deductions**

This category is used for sales deductions. Sales deductions are adjustment or deduction postings related to revenues, such as discounts and rebates. These are also used in CO-PA. Because revenue postings in CO-PA appear with a positive sign, this cost element category helps to identify which cost elements should have a negative sign in CO-PA.

▶ **22 – External settlements**

Cost elements of this category are used to settle orders, projects, or other cost object postings to objects outside of CO. For example, CO external objects can be assets (Asset Management), materials (Materials Management), or GL accounts (Financial Accounting). The SAP system always creates an FI accounting document when settling to external objects.

The following lists and describes the secondary cost element categories:

▶ **21 – Internal settlements**

This cost element category is used to settle order or project costs to other CO internal objects (e.g., an internal order settling costs to a cost center or to another internal order). Examples of CO internal objects are orders, profitability segments, cost centers, and projects.

▶ **31 – Order/project results analysis**

This category is used to save results analysis data in orders or projects.

▶ **41 – Overhead rates**

When you are using overhead calculation in CO-CCA, this cost element category is used to allocate overhead costs using overhead rates from cost centers to orders. The allocation will credit one cost object and debit another.

▶ **42 – Assessment**

When using assessments in CO-CCA, this category is used to allocate costs from one cost object to another cost object.

▶ **43 – Allocation of activities/processes**

When you allocate costs from a cost center to a production order using an activity type, a cost element with category 43 must be assigned to the activity type.

▶ **50 – Incoming orders: sales revenues**

This cost element category is used for revenues from sales orders with revenues in the current period of the project-related order.

▶ **51 – Incoming orders: other revenues**

Similar to cost element category 50, this one is used for other revenues rather than direct revenues in an incoming order (e.g., imputed interest from sales orders).

► **52 – Incoming orders: costs**

This category is similar to categories 50 and 51 but is now used for costs and not revenue.

► **61 – Earned values**

This cost element category is used for the earned values from the earned value analysis in the Project Systems (PS) component.

Now that you understand the types of cost elements, and the differences between and uses for the available categories, you can now create cost elements.

2.1.1 Automatic Creation of Primary and Secondary Cost Elements

Individual primary cost elements can be created and modified using Transaction KA01 and Transaction KA02, respectively. Secondary cost elements are created using Transaction KA06 and modified using Transaction KA02. When you have multiple cost elements to create, the process can be long and tedious to do one at a time.

To speed up the creation process, the SAP system provides a tool to automatically create cost elements. You can create multiple primary or secondary cost elements in one step by defining the account range and a cost element category for the range. The automatic cost element creation process is simple and involves three steps:

1. Define default settings.
2. Create a batch input session.
3. Execute a batch input session.

Define Default Settings

In this first step, you can determine the cost element or range of cost elements that will be created as well as the cost element category to be assigned. You can create either primary or secondary cost elements using this process. Primary cost elements will adopt the description from the financial account master data and can be created using account ranges.

Secondary cost elements will adopt the description from the cost element category. Later, you should change the descriptions to the desired user-defined description. It isn't possible to create secondary cost elements using account ranges because they are not directly related to FI accounts.

After creating cost elements, you can change the cost elements using Transaction KA02 (e.g., if you later want to assign an attribute mix to a cost element).

To define the default settings, either use Transaction OKB2, or follow the IMG menu path CONTROLLING • COST ELEMENT ACCOUNTING • MASTER DATA • COST ELEMENTS • AUTOMATIC CREATION OF PRIMARY AND SECONDARY COST ELEMENTS • MAKE DEFAULT SETTINGS. You will need to select which chart of accounts to use as a reference, as shown in Figure 2.3.

The screenshot shows the SAP transaction OKB2 interface. At the top, the title bar reads "Change View 'Automatic Generation of Cost Elements: Default Setting'". Below the title bar is a toolbar with icons for "New Entries" and other functions. The main area contains two input fields: "Chart of Accts" with the value "0050" and "Description" with the value "Chart of accounts - industry". Below these fields is a table titled "Automatic Generation of Cost Elements: Default Setting". The table has four columns: "Acct from", "Account to", "CElem cat.", and "Short Descript.". The table contains 16 rows of data, including entries for Overhead Rates, Revenues, and Sales deduction.

Acct from	Account to	CElem cat.	Short Descript.
63000		41	Overhead Rates
311000	311000	11	Revenues
312000	312000	11	Revenues
313000	313000	11	Revenues
321000	321000	12	Sales deduction
322000	322000	12	Sales deduction
323000	323000	12	Sales deduction
323100	323100	12	Sales deduction
323200	323200	12	Sales deduction
323300	323300	12	Sales deduction
323400	323400	12	Sales deduction
331200	331200	11	Revenues
341000	341000	12	Sales deduction
350000	350000	11	Revenues
414000	414000	1	Primary costs/cost-reducing revenues
414202	414202	1	Primary costs/cost-reducing revenues

Figure 2.3 Default Settings Customizing Screen

Create a Batch Input Session

From here, the system will use the settings in DEFAULT SETTINGS to create the batch input session. Use Transaction OKB3, or go to IMG menu path CONTROLLING • COST ELEMENT ACCOUNTING • MASTER DATA • COST ELEMENTS • AUTOMATIC CREATION OF PRIMARY AND SECONDARY COST ELEMENTS • CREATE BATCH INPUT SESSION. Enter the appropriate information in the CONTROLLING AREA, VALID FROM, VALID TO, and SESSION NAME fields, and execute as shown in Figure 2.4 and Figure 2.5.

Create Batch Input Session to Create Cost Elements

Controlling Area	2000
Valid from	01.01.2011
Valid to	31.12.9999
Session Name	ABAP01
Batch input user	ABAP01

Figure 2.4 Create Batch Input Session First Screen

Create Batch Input Session to Create Cost Elements

Create Batch Input Session to Create Cost Elements 1

CE1m	Cat.	Description
62000	43	Internal activity allocation
63000	41	Overhead Rates
311000	11	Product sales - national market
312000	11	Product sales - nati
313000	11	Sales - External Market

Figure 2.5 Create Batch Input Session Second Screen

Execute a Batch Input Session

After maintaining the default settings and creating the batch input session, you can execute the batch input session by using Transaction SM35 or by following the IMG menu path CONTROLLING • COST ELEMENT ACCOUNTING • MASTER DATA • COST ELEMENTS • AUTOMATIC CREATION OF PRIMARY AND SECONDARY COST ELEMENTS • EXECUTE BATCH INPUT SESSION, which brings you to the screen shown in Figure 2.6.

Batch Input: Session Overview

Analysis Process Statistics Log Recording

Selection criteria

Sess.: ABAP01 From: To: Created by: *

New Incorrect Processed In Process In Background Being Created Locked

Session name	Sta...	Created By	Date	Time	Creation Progr...	Lock Date	Authorizat.	Trans.
ABAP01	<input type="checkbox"/>	ABAP01	14.05.2011	14:22:31	RKBIKA00		ABAP01	80

Figure 2.6 Batch Input Session

The system will create all of the cost elements that don't already exist in the system according to the default settings. It won't overwrite the existing ones, which will show as an error after processing the batch input session.

Note

The default settings are configured in the development client and must be transported to the quality and production clients because maintenance of the default settings requires an open configuration. The second and third steps are executed directly in the receiver client. We recommend that you execute these steps in each client (rather than only in the production client) to ensure consistency of data among the different clients.

After creating the cost elements, the next step is to establish a structure for cost element grouping.

2.1.2 Cost Element Groups

The SAP system provides an excellent tool to facilitate grouping of the cost objects' master data in a logical structure. Any of the cost objects (such as cost elements, cost centers, internal orders, or WBS elements) can be grouped. It's really helpful to have a grouping scheme established for use when running reports and also for use in some customizing activities.

Groups can be used on all costing reports, so reporting and analysis requirements should be considered when establishing the logic for grouping. The groups can be created by using objects, by creating hierarchies, or by using parts of other groups. Cost element groups are maintained as master data, so you don't need an open customizing environment to maintain the group. For example, when running a CO report, in the selection screen, you can use a single cost element, a range of cost elements, or a cost element group. You can create a cost element group with the cost elements that are often used for reporting, and every time you need to run the report, you use the cost element group. Figure 2.7 shows an example of the selection screen for the Report S_SLO_21000007 – Cost Elements: Breakdown by Company Code.

Some customizing can be done by cost element range or by using a cost element group. For example, in assessment customizing, if you use a cost element group to define the sender cost elements in assessments, you can maintain the group in the production environment simply by adding or removing cost elements in the

group. It's possible to combine both primary and secondary cost elements in groups.

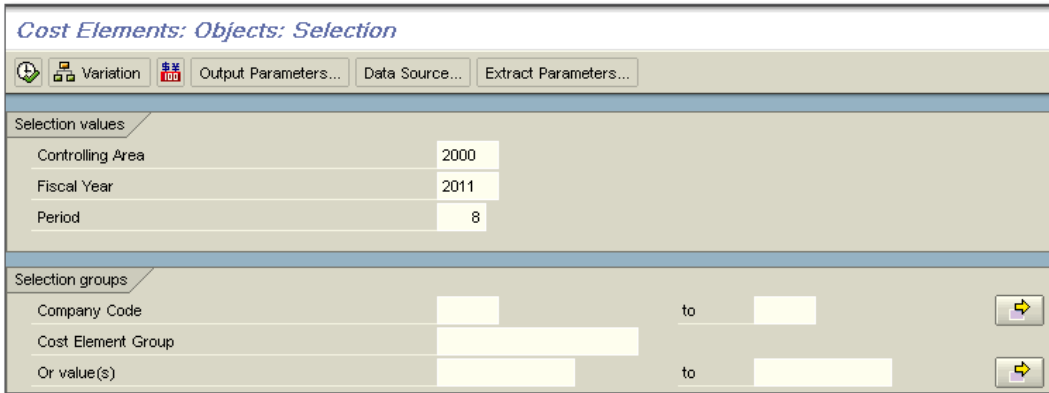


Figure 2.7 Cost Element Report Selection Screen Example

You can create cost element groups using transactions in the user menu or in the customizing menu. Use Transactions KAH1, KAH2, and KAH3 to create, change, or display groups, respectively. You can also use the following IMG menu path CONTROLLING • COST ELEMENT ACCOUNTING • MASTER DATA • COST ELEMENTS • CREATE COST ELEMENT GROUPS. Figure 2.8 shows an example of a cost element group.



Figure 2.8 Cost Element Group Example

Another characteristic that you can use to segregate cost elements is cost element attributes. These are created and then used to classify the cost elements in a certain way to facilitate reporting.

2.1.3 Cost Element Attributes and Cost Element Attributes Mix

The field `ATTRIBUTE MIX`, available in the cost element master data in Figure 2.1, can be used as an additional characteristic of the cost element. You can create custom reports to return data using this field.

Two steps are necessary to create the cost element attribute mix. The first is to create the cost element attributes, and the second is to define the cost element attribute mix itself. The cost element attribute is a single attribute that can't be used in the cost element master data. You should group the attributes to create the attribute mix, which is then assigned to cost elements. Each group can contain up to a maximum of eight cost element attributes, divided into columns.

To illustrate this, we'll show the steps to create an attribute mix that can be assigned to all cost elements representing noncash employee-related tax expenses.

To maintain the cost element attributes, use Transaction `OKA6`, or follow the IMG menu path `CONTROLLING • COST ELEMENT ACCOUNTING • MASTER DATA • COST ELEMENTS • DEFINE COST ELEMENT ATTRIBUTES`. This brings you to the screen shown in Figure 2.9.

In this example, you can have one or multiple attributes created for a specific item. After you create all of the attributes, you can go to the next customizing step where you can group the cost element attributes to build the cost element attribute mix.

To maintain the cost element attributes mix, use Transaction `OKA4`, or follow the IMG menu path `CONTROLLING • COST ELEMENT ACCOUNTING • MASTER DATA • COST ELEMENTS • DEFINE COST ELEMENT ATTRIBUTE MIX`. This brings you to the screen shown in Figure 2.10.

In Figure 2.10, you can see the customizing of the attribute mix by column. In the first column, you can only use attributes that have `item = 1` in the cost element attribute; in the second column, you can use only attributes that have `item = 2` in the cost element attribute, as shown in Figure 2.9. You can define combinations using these rules up to a limit of eight columns for the attribute mix.

Change View "Cost Element Attributes": Overview

New Entries

Item	Attribute	Name
1	A	Taxes/duties
1	V	Sales
2	M	Material
2	P	Human resources
3	N	Not affecting payment
3	W	Affecting payment
4	X	Human resources
5	A	Taxes/duties
5	D	Services
5	E	Energy
6	M	Material
7	X	Expenses

Figure 2.9 Cost Element Attributes

New Entries: Overview of Added Entries

Characteristics Mix for Cost Elements

Attrb01	Attrb02	Attrb03	Attrb04	Attrb05	Attrb06	Attrb07	Attrb08
A	P	W	X	D	M	X	
V							
V	M	W	X	D			
A	P	N					

Figure 2.10 Cost Element Attribute Mix

The cost element attribute mix will be named in the system by a combination of all columns. For example, the attribute mix on the last line shown in Figure 2.10 will be named APN – TAXES/DUTIES/HUMAN RESOURCES/NOT AFFECT. This attribute mix would then be assigned to all appropriate cost elements in the master data using Transaction KA02. Figure 2.11 illustrates this step.

The next option in the master data is to define which field in the cost element master data will have the time-based dependencies.

The screenshot displays the 'Change Cost Element: Basic Screen' in SAP. The main data fields are as follows:

Cost Element	422506	Taxes and Fees
Controlling Area	2000	Controlling Area US, DE
Valid From	01.01.2011	to 31.12.9999

Below the data fields are tabs for 'Basic Data', 'Indicators', 'Default Acct Assgnmt', and 'History'. The 'Names' section shows:

Name	Taxes and Fees
Description	Administrative expenses - taxes and fees

The 'Basic Data' section shows the attribute mix assignment:

CElem category	1	Primary costs/cost-reducing revenues
Attribute mix	APN	Taxes/duties/Human resources/Not affect
Functional Area	YB40	Administration

Figure 2.11 Cost Element Attribute Mix Assignment Example

2.1.4 Time-Based Fields for Cost Elements

As part of the customizing for cost elements, you can designate the fields that are time-dependent. A time-dependent definition means that if the master data is changed, the system will consider the posting date to find the correct assignment to the field. For example, if you change the cost center assigned to a cost element in the default account assignment in the cost element master data, the SAP system will respect the day of the change, and for a posting in this cost element, the system will check the posting date against the change date. If the posting date is before the change date, the system uses the old cost center defined in the master data; if the posting date is later than the change date, the system will adopt the new cost center assignment.

SAP ERP determines four different time-based dependencies that are already defined for use in each area:

- ▶ Not time-based
- ▶ Day-based
- ▶ Period-based
- ▶ Fiscal-year-based

The types of time-based dependencies used by each area cannot be changed; you only have the option to turn on or turn off the dependency for each area.

Note

Carefully consider which fields should have time-based dependencies because the time-based functionality can consume large amounts of data storage space.

For cost elements, only two fields are available to change the time-based settings, both of which are in the DEFAULT ACCOUNT ASSIGNMENT. To change the time-dependent settings, use Transaction OKEK, or follow the IMG menu path CONTROLLING • COST ELEMENT ACCOUNTING • MASTER DATA • COST ELEMENTS • DETERMINE TIME-BASED FIELDS FOR COST ELEMENTS. This brings you to the screen shown in Figure 2.12. If you mark the cost center or order as time-dependent, the system will consider the changes in the master data for this field by day. For example, you can't change the time dependency from day to year. It's predefined by the system, and you can only select whether the field will have time dependency or not.

Change: Time-Based Fields (Cost Elements)

Information...

Field Name	Name	Time Dependency			
		Day	Period	Fiscal Yr	No
Basic Data					
KTEXT	Name				X
LTEXT	Description				X
<input checked="" type="checkbox"/> KATYP	CElem category			X	
<input checked="" type="checkbox"/> EIGEN	Attribute mix			X	
Indicators					
<input checked="" type="checkbox"/> MGEFL	Record Quantity			X	
<input checked="" type="checkbox"/> MSEHI	Int. meas. unit			X	
Default Acct Assignment					
<input checked="" type="checkbox"/> KOSTL	Cost Center	X			
<input checked="" type="checkbox"/> AUFNR	Order	X			

Figure 2.12 Cost Element Time-Based Fields

Now that we've discussed the cost element master data, and you know why cost element categories are important, how to create cost elements in a collective way, how to create the cost element attributes and attribute mix, and also how to

determine time dependencies in the master data, let's move on to accrual calculations.

2.2 Accrual Calculation

The SAP system has standard functionality to support accruals in both FI and CO. Accruals can be used when you have an expense that is paid in a specific month of the year but that is related to the entire year (e.g., insurance or property tax). To spread this cost across the affected months automatically, you can use accrual calculation.

Accruals made in FI will also be reflected in CO, but accruals made in CO will only be reflected in CO. Before customizing accruals in CO, you should consider which alternative will best serve your needs. In most cases, maintaining accrual data in both areas is desirable, so it should be done in FI. You would only establish accruals in CO for costs that should not be spread in FI, but you want them to be spread across periods for costing purposes.

The following are the three methods for creating accrual calculations in CO (remember that when using CO accruals, no posting will be made in FI):

► **Percentage method**

The system will calculate these values by applying a percentage of the posted values in certain cost elements defined in the customizing. A debit will be created in the receiver cost center, and a credit will be made in the cost center or order defined as the accrual object. The system uses a cost element with cost element category 3 (accrual calculation using a percentage method) to perform the postings.

► **Target equals actual**

This method is used when a planned cost using activity-dependent planning is used as the reference to calculate the accrual. The system will create the accrual using the planned activity rate and will use the actual activity to create the values. For instance, if you have used activity-dependent planning to set a certain cost at a fixed dollar amount per unit of production, then this type of accrual will post actual costs calculated on the planned per unit cost times the actual units produced. These types of accruals are posted using a cost element with category 4 (accrual calculation using target equal to actual method).

► Plan equals actual

This method is used when a cost planned using activity-independent planning is used as the referral to calculate the accrual. The system will create the accrual using the planned values in category 4 (accrual calculation using target equal to actual method). For example, if you have a planned value in a specific month that you want to use as reference for the accrual, the system gets the value and creates the accrual postings.

You customize all three of these methods on the same screen. To begin to create an accrual calculation, either use Transaction KSAZ, or follow the IMG menu path CONTROLLING • COST ELEMENT ACCOUNTING • ACCRUAL CALCULATION • PERCENTAGE METHOD • MAINTAIN OVERHEAD STRUCTURE. This brings you to the Maintain CO-OM Accrual Calculation: Overhead Structure screen shown in Figure 2.13.

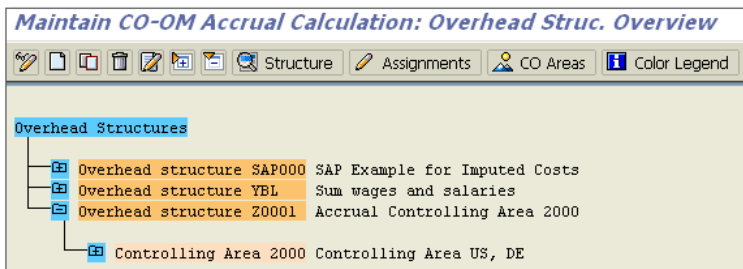


Figure 2.13 Maintain Overhead Structure

Next, we'll explain the steps for each method, beginning with the percentage method.

Percentage Method

For this method, you must create an overhead structure that contains the base, overhead rate (percentage), and credit. From the screen shown previously in Figure 2.13, go to ENVIRONMENT • BASES. This brings you to Figure 2.14. The base determines the cost element range that will be considered when forming the base values for calculating the cost of overhead.

By double-clicking in the BASE desired line, the screen will open and allow entry of the cost elements to be used as the base. We are going to use A-B1 – WAGES as an example. Figure 2.15 shows the cost element range definition.

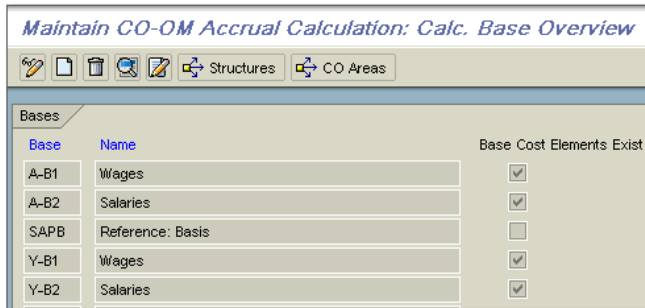


Figure 2.14 Overhead Structure Base Overview

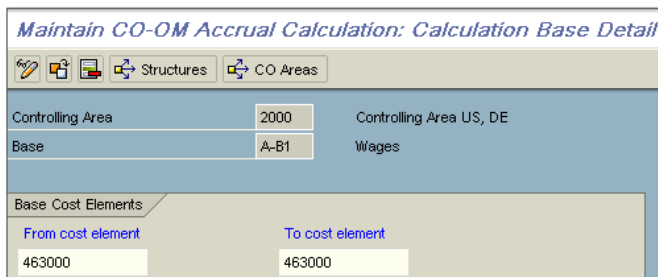


Figure 2.15 Accrual Calculation Base Detail

After you set the cost element range, you must define the overhead rates for the overhead structure. Return to the screen shown in Figure 2.13. Click on the ENVIRONMENT menu, and select OVERHEAD RATES. This will bring you to the screen shown in Figure 2.16.

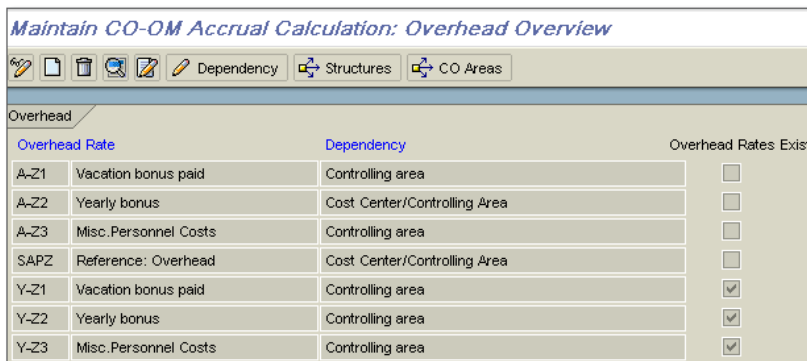


Figure 2.16 Overhead Rate Overview

In this screen, you can create a new line, or you can maintain the rate by double-clicking in an existing line in the screen shown in Figure 2.17.

Maintain CO-OM Accrual Calculation: Overhead Controlling Area/Overhead

Structures CO Areas Analysis Period

Controlling Area 2000 Controlling Area US, DE
Overhead Rate Y-Z1 Vacation bonus paid

Dependency
Controlling Area/Overhead Type

Overhead Rates

Valid fr.	Valid to	Plan Overhead	Act. Overhead
1 2011	12 2011	%	10,000 %

Figure 2.17 Overhead Rate Detail

In this screen, you must establish a valid period for the rate and set the plan or actual rate.

The next step in setting up the CO overhead accrual is to define the credit cost element and cost object. Because CO accruals are not posted in FI, the offset to the accrual cost must be to another CO object. Return to the first screen, shown in Figure 2.13. Go to ENVIRONMENT • CREDITS in the menu bar, which brings you to the screen shown in Figure 2.18.

Maintain CO-OM Accrual Calculation: Credit Overview

Structures CO Areas

Credits

Cred.	Description	Credit Records Exist
E11	Vacation bonus paid	<input checked="" type="checkbox"/>
E12	Annual bonus paid	<input checked="" type="checkbox"/>
E21	Other personnel csts	<input checked="" type="checkbox"/>
E22	Oth. social expenses	<input checked="" type="checkbox"/>
Y11	Vacation bonus paid	<input checked="" type="checkbox"/>
Y12	Annual bonus paid	<input checked="" type="checkbox"/>
Y13	Misc.personnel costs	<input checked="" type="checkbox"/>

Figure 2.18 Accrual Calculation Credit Overview

By double-clicking in the credit line, you can define the credit cost element and also the credit cost center or order in the screen shown in Figure 2.19.

Maintain CO-OM Accrual Calculation: Credit Detail

Controlling Area: 2000 Controlling Area US, DE
 Credit: E11 Vacation bonus paid

Credit Records

CoCode	Bus. Area	Valid to	Cost Elem.	Cost Center	Order
2000		12 2011	421199	0VR01	

Figure 2.19 Accrual Calculation Credit Detail

The credit will contain the cost elements with category 3. The cost object used for credit can be either a cost center or an internal order and is defined by company code (CoCODE), as shown in Figure 2.19. You must define a valid period for the credit.

The overhead structure can be associated with any controlling area. The accrual calculation can use actual or planned costs to calculate the values. Select ASSIGNMENTS (shown previously in Figure 2.13), then select the appropriate option in the CONTROLLING AREA field, and click on either the PLAN ACCRUAL OR ACTUAL ACCRUAL buttons, as shown in Figure 2.20.

Maintain CO-OM Accrual Calculation: Overhead Struc. Overview

Structure Assignments CO Areas Color Legend

Overhead Structures

- Overhead structure SAP000 SAP Example for Imputed Costs
- Overhead structure YBL Sum wages and salaries
- Overhead structure Z0001 Accrual Controlling Area 2000
- Controlling Area 2000 Controlling Area US, DE

Select Assignments

Controlling Area: 2000 Controlling Area US, DE

Actual accrual
 Plan accrual

Version: []

Continue Cancel

Figure 2.20 Controlling Area Overhead Structure Assignment

Click on the CONTINUE button, and you'll see that the overhead structure is the combination of bases, overhead rates, and credits, as shown in Figure 2.21.

Maintain CO-OM Accrual Calculation: Overhead Struct. Detail

Check Overhead Structure Assignments To Structure To CO Area

Overhead structure: Z0001 Accrual Controlling 2000, 4000

Row	Base	O/H Rate	Description	Fr.	To	Credit
110	Y-B1		Wages			
120	Y-B2		Salaries			
190			Sum wages and salaries	110	120	
210		Y-Z1	Vacation bonus paid	110	110	Y11
220		Y-Z2	Yearly bonus	190	190	Y12
230		Y-Z3	Misc. Personnel Costs	190	190	Y13

Figure 2.21 Overhead Structure

The rows define the sequence in which the system will read, summarize, and post the values. It should have a base, overhead rate, and credit. You can also summarize lines using the FROM and TO fields, as shown in Figure 2.21, where line 190 is summarizing lines 110 to 120.

The example accrual shown in Figure 2.21 will calculate an amount to accrue using a fixed percentage of the amounts in the cost elements defined as WAGES (BASE Y-B1) for VACATION BONUS PAID (O/H RATE Y-Z1), and also different fixed percentages of the total of the cost elements defined as WAGES and SALARIES (BASE Y-B1 and Y-B2) combined as YEARLY BONUS and MISC. PERSONNEL COSTS, respectively (O/H RATE Y-Z2 ad Y-Z3). Credits (Y11, Y12, Y13) for the three amounts calculated will be posted in the cost element and cost centers defined in the step shown earlier in Figure 2.19 with offsetting debits in the same cost elements and in the cost centers specified at the time the accrual is executed.

Target Equals Actual and Plan Equals Actual Methods

Establishing the setup for these methods is simple. The system will look to the planning values in a cost element with category 4 (accrual calculation using target equal to actual method) whether they are activity or nonactivity-dependent. The customizing is established in the same screen shown earlier in Figure 2.13 by going to the menu ENVIRONMENT and choosing TARGET=ACTUAL CREDITS.

The next step in the customizing is to select the category 4 cost element in the parameters and to choose the credit cost object. Figure 2.22 and Figure 2.23 show the customizing screens. With the settings shown in this example, the system will use the values planned in this cost element to post the accrual and post an offsetting credit to the object defined in Figure 2.22.

Cost Elem.	Name	Credit Records Exist
999999	Accrual	<input checked="" type="checkbox"/>

Figure 2.22 Maintain Accrual Cost Element

By double-clicking in the cost element, you can now enter the company code, valid period, and credit cost center or order.

CoCode	Bus. Area	Valid to	Cost Center	Order
2000		12 2011	0VR01	*****

Figure 2.23 Maintain Credit Cost Object and Credit Account

Now that you've learned how to customize CO accrual calculations, let's discuss the information system and why a good structure for CO-CEL is important to meet the needs of the organization.

2.3 Information System

The SAP ERP information system for CO-CEL has many standard reports. The way you customize CO-CEL will directly impact the available data for reporting.

In the decision to create corresponding primary cost elements for FI P&L accounts, you are defining whether it will be possible to see the values in CO

reporting. By choosing the correct cost element category for the cost elements, you can correctly classify the values as revenues or expenses.

Using cost element groups, you can create a logical structure for cost elements that can be used in reporting. The logic for the groups can be by area, type of cost, function, or other parameter that will be useful in your reporting. Because they are user-defined, you can create cost element groups in whatever manner you want. If all standard cost element reports provided in SAP ERP aren't sufficient to meet a specific need for cost visibility, you can also use Report Painter and Report Writer to create custom reports, and use additional characteristics in the reports such as the cost element attribute mix.

The details of how to create custom reports using Report Painter or Report Writer are not covered in this book, but many other references cover these areas in detail. (We recommend *Financial Reporting with SAP* by Aylin Korkmaz [SAP PRESS, 2012]). Our focus here is on how to import and generate the standard reports and some tips on how to get the most from the standard reports provided.

Sometimes, reports in SAP ERP stop functioning for a variety of reasons (such as a system shutdown, database corruption, etc.). In this situation, you can import the standard reports again from the SAP ERP client 000. To import the reports, either use Transaction KALI, or follow the IMG menu path CONTROLLING • COST ELEMENT ACCOUNTING • INFORMATION SYSTEM • STANDARD REPORTS • IMPORT STANDARD REPORTS. This brings you to the screen shown in Figure 2.24, where the import can be done online or in the background. In a production environment, especially if many reports will be imported at once, it's recommended to do this in the background to avoid performance impacts.

SAP ERP standard reports that have been just imported must also be generated. Only then is an executable program created that can be run in the information system. To generate the reports, either use Transaction KAL8, or go to CONTROLLING • COST ELEMENT ACCOUNTING • INFORMATION SYSTEM • STANDARD REPORTS • GENERATE STANDARD REPORTS. This brings you to the screen shown in Figure 2.25. The reports can be generated online or in the background. Just as with the import step, we recommend generating the reports in the background rather than online in a production environment, or if you have selected many reports to import at the same time.

Report Writer: Copy Report Groups From Source Client

RGrp	Lib	Description	Created By	Created on	Last gen.	JS
<input checked="" type="checkbox"/> 5AG1	5A1	CElem.: Business Area Allocations	SAP	25.01.1995		50
<input checked="" type="checkbox"/> 5AB1	5A1	CElem.: Company Code Allocations	SAP	25.01.1995		50
<input checked="" type="checkbox"/> 5AB2	5A1	CElem.: Costs by Company Code	SAP	14.06.1996		50
<input checked="" type="checkbox"/> 5AB3	5A1	CElem.: Functional Area Allocations	SAP	10.06.1996		50
<input checked="" type="checkbox"/> 5AF3	5A1	CO/FI Reconcil. CCode CrCy (BArea)	SAP	09.09.1997		50
<input checked="" type="checkbox"/> 5AF4	5A1	CO/FI Reconcil. Group CrCy (BArea)	SAP	09.09.1997		50
<input checked="" type="checkbox"/> 5AF1	5A1	CO/FI Reconciliation in CCode CrCy	SAP	22.06.1994		50
<input checked="" type="checkbox"/> 5AF2	5A1	CO/FI Reconciliation in Group CrCy	SAP	23.06.1994		50
<input checked="" type="checkbox"/> 5AR2	5A1	Cost Elem.: Breakdown by Obj. Type	SAP	08.12.1994		50
<input checked="" type="checkbox"/> 5AK1	5A1	Cost Elem.: Drilldown by Func. Area	SAP	30.08.1995		50
<input checked="" type="checkbox"/> 5AO1	5A1	Cost Elem.: Drilldown by Obj. Type	SAP	23.06.1994		50
<input checked="" type="checkbox"/> 5AC2	5A1	Cost Elem.: Obj. Class in Columns	SAP	29.06.1994		50
<input checked="" type="checkbox"/> 5AA1	5A1	Cost Elements: Accrued Costs	SAP	30.01.1995		50
<input checked="" type="checkbox"/> 5AG3	5A1	Cost Elements: Breakdown by B.Area	SAP	07.06.1996		50
<input checked="" type="checkbox"/> 5AO2	5A1	Cost Elements: Obj. Type in Columns	SAP	27.06.1994		50
<input checked="" type="checkbox"/> 5AR1	5A1	Cost Elements: Object Classes	SAP	11.06.1996		50
<input checked="" type="checkbox"/> 5A21	5A2	Cost Elements: Objects	SAP	13.01.2004		50
<input checked="" type="checkbox"/> 5AW1	5A1	Cost Elements: Work in Process	SAP	09.01.1995		50
<input checked="" type="checkbox"/> 5AG2	5A1	Cost Flow Between Bus. Areas (Rows)	SAP	25.01.1995		50
<input checked="" type="checkbox"/> 5AI1	5A1	Cost Flow Between CoCodes - BusAreas	SAP	30.06.1994		50
<input checked="" type="checkbox"/> 5AC1	5A1	Cost per Object Class, Curr. Cum.	SAP	29.06.1994		50

Figure 2.24 Copy Standard Reports from the Source Client

Report Writer: Generate Report Groups

08.06.11 Report Writer: Generate report groups 1

Description	RGrp
<input checked="" type="checkbox"/> CElem.: Business Area Allocations	5AG1
<input checked="" type="checkbox"/> CElem.: Company Code Allocations	5AB1
<input checked="" type="checkbox"/> CElem.: Costs by Company Code	5AB2

Figure 2.25 Generate Report Groups

Some parameters in the selection screen can be set as default when running cost reports. This helps to expedite the running time because users don't need to resupply all of the information every time they run a report. Some user settings can be specified to populate automatically in the selection screens of the reports, such as controlling area, cost center/cost center group, cost element/cost element group, report period, and currency.

Users can maintain their own user-specific settings using Transaction RPC0, as shown in Figure 2.26.

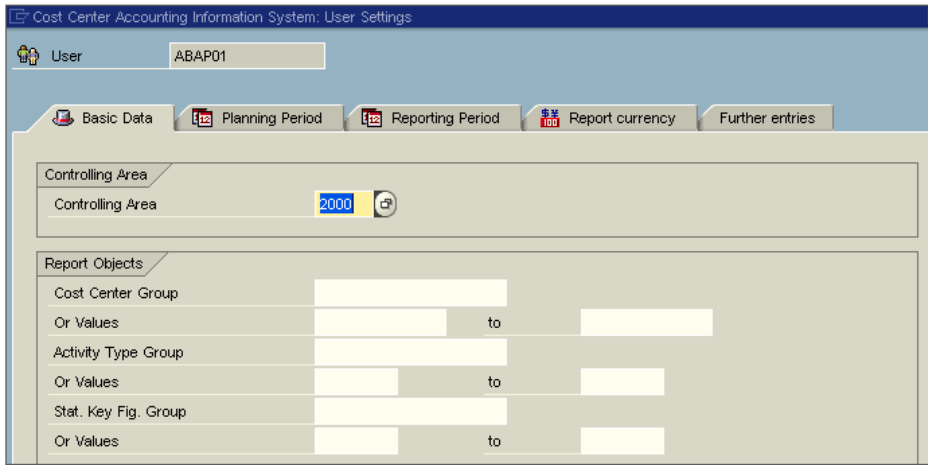


Figure 2.26 User Default Settings

On this screen, each user can define the default selection screen variables for their own user ID. These variables will then be defaulted in the selection screen of all cost element reports but can still be overridden by the user when executing the reports.

In this section, we've discussed some important considerations of the definitions of CO-CEL and how they affect reporting, how to import and generate the standard cost element reports, and how to set some default parameters to make running the reports faster and easier for users.

2.4 Summary

After finishing this chapter, you should now understand the importance of CO-CEL and how it serves as the foundation for CO.

In master data, you've learned about all of the cost element categories and the uses for each one, including the implications to the data in CO when you select a specific category for a cost element. You now know the difference between primary and secondary cost elements, and when to use each. You've learned how to create cost elements in a collective way to decrease the time spent in master data creation. We've also discussed the benefits of groupings and how, by using cost

element attributes and attribute mixes, you can add one more level of breakdown to the cost elements. You've also seen how to define a time dependency for cost element master data.

For accrual calculations, you now can distinguish between the available methods of calculation, and the reasons to use accrual calculations in CO rather than accruals in FI.

In the information system, you've learned how the CO-CEL structure can facilitate a powerful and flexible reporting system using both SAP ERP standard reports and custom reports, as well as the need sometimes to import and activate the standard reports again.

Now that the customizing of CO-CEL has been completed, it's time to address the structure and definitions for Cost Center Accounting (CO-CCA) in Chapter 3.

Index

A

ABAP trace, 56
Access sequence, 399, 480
Account assignment logic, 49
Account determination, 483
Account-based, 362, 373
Accounting 1, 250
Accounting 2, 250, 251
Accounts payable, 516
Accounts receivable, 516
Accrual calculation, 74, 85
Activity allocation, 107
Activity type, 99, 106, 107, 223, 271
 Category, 107
 Group, 112
 Planning, 119
Activity-Based Costing (CO-ABC), 19, 23, 217,
 224, 359, 535
 Planning, 232
Actual, 42
Actual accrual, 89
Actual activity type category, 107
Actual cost of sales, 195
Actual costing, 335, 344, 345, 356
Actual data transfer, 517
Actual posting, 156, 208, 506
Actual price indicator, 107
Actual quantity set, 111
Actual value, 433
Additive cost, 286
Allocation, 130, 223, 506, 512
 Activities, 75
 Structure, 141, 188
Amount settlement, 197
Annual value, 185
Archiving, 68, 172, 175
Assessment, 75, 131, 140, 145, 146, 218, 233,
 417, 506, 512, 533
Asset Accounting (AA), 22, 515
Assign value field, 403
Assignment, 287
Attribute, 221

Attribute mix, 81
ATyp category, 108
Authorization key, 180
Availability control, 154, 198, 200, 201, 203,
 205
Average price, 45, 46, 111

B

Backflush, 248
Balance carryforward, 454
Balance sheet, 509
 Report, 526
Base, 303
Base unit of measure, 243
Basic settings, 117
Bill of material (BOM), 241
Billing document, 410
Blueprint, 538
BSX, 320
Budget consumption, 201
Budget management, 153
Budget manager, 198, 204
Budget planning, 119
Budget profile, 171, 174, 198
Budget tolerance, 202
Budgeting and availability control, 198
Bulk material, 248
Business process, 218, 221, 222, 226, 456
Business reporting, 534
Business transaction, 40, 181

C

Calculation base, 306
Center group, 102
Characteristic
 derivation, 384
 values, 381
Characteristics, 363, 365, 366, 373, 376, 382,
 421, 434, 435, 439, 446, 450
 Filter, 437
Chart of accounts, 35

Index

- Check, 50
 - CKMSTART, 349
 - Classification, 175
 - Client, 27
 - CO actual data, 517
 - CO partner update, 174
 - CO version, 41
 - CO_ITEM_DEL, 69
 - CO_ITEM_WRI, 69
 - Comment row, 226
 - Commitment, 206, 211
 - Funds commitment*, 155
 - Management*, 175
 - Company code, 33, 371, 456, 459
 - Assignment*, 35
 - Condition exclusion, 481, 482
 - Condition is price, 401
 - Condition table, 397, 478
 - Condition type, 400, 474, 475, 480, 481
 - Consignment, 248
 - Consolidate costs, 34
 - Consolidation, 449, 522
 - Consumption, 346
 - Control indicator, 172, 174
 - Control tab, 285
 - Controlling area, 32, 33, 37, 97, 170, 202, 219, 371, 378, 450, 457, 459, 468, 499, 503, 535
 - Currency*, 35, 452
 - Settings*, 170
 - Co-product, 248
 - Copy planning, 125
 - Copy the number range, 40
 - Copying allowed, 43
 - Cost center, 99, 101, 223, 455, 456, 463
 - Category*, 100, 108
 - Group*, 101, 103, 104, 461
 - Planning*, 114
 - Standard hierarchy*, 457
 - Cost Center Accounting (CO-CCA), 19, 97
 - Basic settings for planning*, 115
 - Planning*, 114
 - Cost component, 258
 - Group*, 264, 462
 - Split*, 349, 391, 395, 430
 - Structure*, 255, 258, 264
 - View*, 262
 - Cost element, 71
 - Attribute*, 81
 - Attributes mix*, 81
 - Automatic creation*, 76
 - Category*, 73, 74, 410
 - Group*, 79, 104
 - Cost Element Accounting (CO-CEL), 19, 23, 71, 81
 - Cost estimate, 244, 292, 312, 352, 390, 405, 406
 - Cost object controlling, 301, 353
 - Cost report, 34
 - Cost splitting, 147
 - Cost summarization, 261
 - Cost transaction, 34
 - Costing key, 390, 392, 393, 429
 - Costing lot size, 293
 - Costing sheet, 302, 306, 309, 396, 400, 402, 403, 406, 477
 - Costing type, 267, 486, 487
 - Costing variant, 283, 293, 298, 314, 485
 - Costing version, 293
 - Costing-based, 361, 373
 - Create batch input, 77
 - Credit, 304, 306
 - Cross-company code, 34, 36
 - Costing*, 34
 - Cumulative price, 46
 - Currency, 339, 452
 - Currency type, 22, 27, 28, 29, 30, 31, 32, 34, 42, 52, 62, 115, 472, 473
 - Cycle, 132, 133
- ## D
-
- Data element, 405
 - Date control, 267, 274
 - Default account assignment, 84
 - Default value, 196
 - Delete test data, 64
 - Deliveries from profit centers, 483
 - Delta version, 47
 - Derivation, 386, 511
 - For sales*, 524
 - Process*, 501
 - Rule*, 386, 510, 511, 522

Derivation, 386, 511 (Cont.)
Step, 385
 Detailed planning, 119
 Determine manually, 110
 Direct posting, 452
 Distribution, 131, 132, 139, 145, 146, 218,
 233, 506, 512, 533
 Do Not Cost, 253
 Document type, 507, 508
 Dummy profit center, 451, 458

E

Earned value, 76
 Enhancement, 384
 Environment, 225, 312
 Equivalence number, 197
 Exchange rate, 115, 183
Type, 117, 183, 199, 499
 Exclusion group, 482
 Exclusive, 42
 Execute batch input, 78
 Exempt cost element, 198, 202
 External accounting, 24
 External processing, 273
 External procurement, 246, 247
 External settlement, 75

F

Field catalog, 363, 369
 Financial Accounting (FI), 21
 Financial statement, 534
 Fiscal year variant, 35
 Fixed cost variance, 160
 Fixed value, 112
 Flows of actual values, 406
 Follow-up posting, 66
 Formula planning, 500
 Functional area, 174
 Future price, 251

G

GBB, 322
 General Controlling, 18, 21, 535

General indicator, 43
 General parameter, 172, 174
 Group currency, 452
 Group valuation, 466

H

Hard currency, 30
 Hierarchical method, 131
 Hierarchy, 439
 Hierarchy for characteristic, 382
 Human Capital Management (HCM), 22

I

Incoming order
Cost, 76
Other revenue, 75
Sales revenue, 75
 Index-based currency, 30
 Indicator and valid receiver, 196
 Indirect activity allocation, 131, 146, 233
 Indirect determination, indirect allocation,
 109
 Information system, 210
 In-house production, 247
 Initial cost split, 261
 Input price variance, 159
 Input quantity variance, 159
 Integrated planning, 43, 107, 175
 Interactive reporting, 525
 Internal accounting, 24
 Internal change in stock, 483
 Internal goods movements, 485
 Internal orders (CO-OPA), 19, 169, 214, 463
Planning, 183
 Internal revenue, 483
 Internal settlement, 75
 Investment, 170
 Itemization, 306
 Iterative method, 131

J

Joint production, 248

L

Legal valuation, 466, 470, 485, 492, 493, 495, 496

Line item report, 525

List-oriented report, 525

LTP, 129

M

Maintain settlement, 174, 187

Maintain source structure, 192

Maintain version, 184

Manual actual posting, 156

Manual entry, indirect allocation, 109

Manual entry, manual allocation, 108

Manual entry, no allocation, 109

Manual planning, 119, 184, 500

Mark standard price, 296

Master data, 171

Master data display, 172, 176

Material, 243

Material cost estimate procedure, 245

Material Ledger, 335, 467, 472

Material origin, 253

Material stock, 513

Material type, 484

Material update, 339

Material valuation, 271

Materials Management (MM), 22

Message, 50

Type, 53

Miscellaneous tab, 291

MLCCS_STARTUP, 350

MM actual data, 517

Model order, 174

Movement type, 325, 485

Group, 340

MRP, 129

MRP 1, 243

MRP 2, 245

MRP 4, 248, 249

Multilevel costing, 335

Multiple valuation approach, 488

N

New General Ledger, 36

Number range, 38, 40, 172, 184, 200, 508

For settlement document, 193

Group, 40

Interval, 172

O

Object class, 174

Object currency, 35

Object type, 463

OBYC, 319

Opening balance, 513

Operating concern, 363, 371, 373, 378, 442, 443

Order and project settlement, 412

Order management, 171

Order number range, 171

Order type, 171, 177, 184, 208, 210

Order/project results analysis, 75

Organization, 26

Organizational unit, 264

Origin group, 255, 258

Output price variance, 160

Output quantity variance, 160

Overall planning, 184, 185

Overhead, 273

Cost, 170, 217, 396

Group, 253, 310

Key, 309

Rate, 303, 306

Structure, 86

P

P&L account, 509

PA allocation structure, 415

PA transfer structure, 187

Parameter set, 425, 427

Partner profit center, 522, 524

Percentage method, 85, 86

- Period-end closing, 158, 328, 512
 Periodic price, 45, 46
 Periodic reposting, 131, 133, 145, 146, 197
 Cycle, 133
 Plan, 42
 Plan data transfer, 129, 500
 Plan equals actual, 86
 Plan price, 255
 Automatically based on activity, 110
 Automatically based on capacity, 110
 Plan quantity set, 111
 Plan reconciliation, 129
 Planner layout, 124
 Planner profile, 121, 122, 124, 184
 Planning, 43, 183, 419, 498
 Planning aid, 125
 Planning distribution, 140
 Planning layout, 120, 184, 425, 426, 433
 Planning level, 421
 Planning method, 424
 Planning package, 423, 424
 Planning periodic reposting, 133
 Planning process, 125
 Planning profile, 171, 174
 Plant Maintenance (PM), 22
 Plant-specific material status, 243, 253
 Point of valuation, 394, 429
 PreDistribFixedCosts, 111
 Preliminary costing, 316
 Prerequisite, 50, 52, 59
 Price calculation, 266
 Price condition, 430, 479
 Price dependencies, 478
 Price determination, 336
 Price indicator, 107, 110
 Price update, 268
 Price variant, 477, 495
 Pricing procedure, 474, 476, 482
 Primary cost, 74
 Primary cost component split, 258
 Primary cost element, 72
 Primary cost planning, 119
 Process categories, 221
 Procurement category, 348
 Procurement type, 246
 Product cost by period, 301
 Product cost collector, 312
 Product Cost Controlling (CO-PC), 19, 25, 241, 536
 Product cost planning, 243
 Production Planning (PP), 22
 Production start-up, 62
 Production variance, 484
 Production version, 249
 Profit center, 451, 455, 456, 460, 465, 498, 509
 Assignment, 465
 Currency, 452
 Group, 529
 Standard hierarchy, 454, 457
 Valuation, 466, 471, 486, 492, 497
 Valuation product cost, 490
 Profit Center Accounting (EC-PCA), 20, 449, 450
 Profitability Analysis (CO-PA), 20, 23, 361, 501
 Activate, 379
 Information, 434
 Reports, 437
 Profitability report, 437, 446
 Project Systems (PS), 21
 Purely iterative price, 45
 Push method, 217
- ## Q
-
- Quality Management (QM), 22
 Quantity field, 408
 Quantity structure, 275, 276, 285
 Control, 267, 275
- ## R
-
- Receipts, 346
 Receiver category, 190
 Receiver rule, 136
 Reference variant, 267, 281
 Release cost, 492
 Release planned price change, 299
 Remaining input variance, 160
 Repetitive manufacturing, 249, 327
 Repetitive manufacturing profile, 324

Index

Report definition, 440
Report form, 434, 437
Reset value/quantity field, 411
Resource, 99, 114
 Type B, 114
 Type M, 114
 Type R, 114
 Usage variance, 160
Revaluation, 127, 128
Revenue, 74, 170
Revenue posting, 175
Role maintenance, 180
Roll up cost component, 260
Routing, 241, 279

S

Sales and Distribution (SD), 22
 Billing document, 517
Sales deduction, 74
Sales order, 409
Secondary cost element, 72, 73, 76
Secondary cost planning, 119
Set of parameters, 52
Settlement, 197
 Cost element, 188
 Profile, 171, 174, 187, 194, 196, 197
 Rule, 210
 Rule generation, 208
 Structure, 187, 197, 198
Simultaneous costing, 319
Single-/multilevel, 337
SOP, 129
Source settlement, 197
Source structure, 187, 192
Special function, 525
Special procurement, 246
Splitting method, 148
Splitting rule, 148
Splitting structure, 148, 149
Standard cost estimate, 242
Standard hierarchy, 36, 101, 102, 219, 455,
 462, 529
Standard product cost, 490
Statistical key, 521

Statistical key figure, 99, 112, 462, 503, 517
 Planning, 119
Status management, 172, 175, 176
Status number, 178, 182
Status profile, 177, 179, 181
Stock transfer, 248
Strategy sequence, 210
Structure, 362
Subcontracting, 246, 248, 272
Substitution, 49, 58, 59
Subtemplate, 226
Summary, 214
System status, 177

T

Table lookup, 384
Target
 Actual allocation, 109
 Equals actual, 85, 90
 Version, 332
Template, 224, 307, 308
Template allocation, 230
Time frame, 199
Time-based field, 83, 104
Tolerance limit, 198, 201, 202
Total value, 113
Transaction currency, 35
Transaction-based, 337
Transfer CO actual data, 518
Transfer control, 267, 279, 293
Transfer FI actual data, 519
Transfer MM actual data, 520
Transfer of incoming sales orders, 407
Transfer of overhead, 417
Transfer price, 449, 452, 465, 472, 474, 485,
 493, 534
 Example, 489
 Variant, 474, 477
Transfer SD billing documents, 520
Transport environment, 528
Transport Information System, 533
Transport master data, 529
Transport process, 442
Transport request, 57, 63, 442

Transport system settings, 62
 For actual postings, 532
 For planning, 530

U

Update, 286
 Additive costs, 262
 Structure, 342
 Update All Currencies, 65
 User exit, 54, 61
 User status, 177, 180, 182
 User-defined name, 346

V

Validation, 49
 Rule, 51
 Valuation, 388
 Area, 472
 Class, 484
 Group, 321, 484

Valuation, 388 (Cont.)
 Method, 427, 467
 Parameter set, 432
 Profile, 467, 469
 Strategy, 404, 405, 427, 429, 445
 Variant, 267, 270, 306
 View, 43, 268, 452, 470, 485
 Value field, 361, 363, 369, 376, 408, 412, 418,
 434, 446
 Variance, 42, 159, 328
 Variance key, 254, 329
 Variance variant, 330
 VBR, 322
 Version, 41, 419, 453, 469, 471
 Definition, 42
 Locked, 43
 Settings, 42
 VWTYGB01, 61

W

Work in process (WIP), 42, 514