



Browse the Book

This chapter prepares you for a key cost object covered on the exam: internal orders. You'll walk through core concepts from master data to period-end close, review the terminology, and answer practice questions to solidify your understanding.

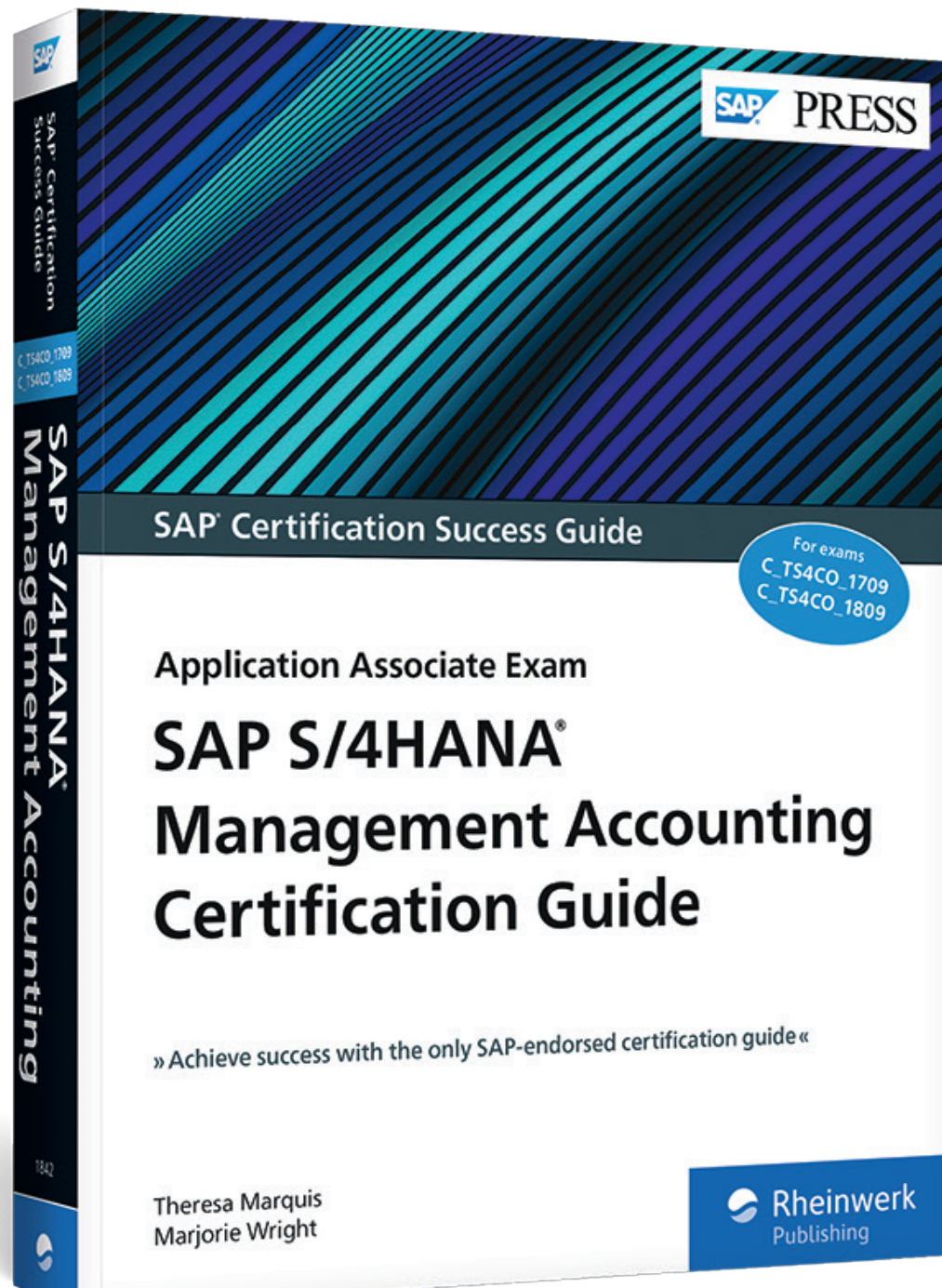
-  "Internal Orders"
-  Contents
-  Index
-  The Authors

Theresa Marquis, Marjorie Wright

SAP S/4HANA Management Accounting Certification Guide

461 pages, 2019, 2019, \$79.95
ISBN 978-1-4932-1842-4

 www.sap-press.com/4886



Chapter 4

Internal Orders

4

Techniques You'll Master

- Understand the four categories of internal orders
- Create and maintain internal orders
- Understand the requirements for commitment management
- Distinguish between planning and budgeting of internal orders
- Use an overhead costing sheet to debit an internal order
- Understand periodic settlement options

In this chapter, we'll review the design and purpose of internal orders, one of three cost objects in overhead management (CO-OM).

Real-World Scenario

As a controlling (CO) consultant, you'll need an understanding of the benefits of using internal orders as temporary cost objects. SAP's intention with internal orders was to provide a convenient cost collector for short-term events or projects. If your company is sponsoring a company picnic, for example, how could you effectively collect those various expenses and divide up the cost based on attendance? Creating a cost center for an event like this would be impractical. An internal order is an ideal way to post all costs against a single cost object and, through periodic settlement, pass on each receiver's share of the event.

As a CO consultant, you'll need to explain the options available for the configuration of the internal order type, which controls all order parameters, from the order number to the period-end settlement process. You may also need knowledge of how to use overhead costing sheets, which are commonly used with internal orders.

For period-end processing, passing order costs to other cost objects is typically confusing to end users. Having a firm foundation in the configuration of a settlement profile will give you the tools necessary for explaining this process and completing your system design.

Objectives of This Portion of the Test

The objective of this portion of the certification exam will test your understanding of customizing the core objects required for internal order accounting as well as test your understanding of its main business processes.

The certification exam expects you to have a good understanding of the following topics:

- Configure internal order types
- Configure order-related profiles
- Period-end closing activities

- Planning and budgeting
- Commitments
- Daily business operations in internal order accounting

Note

The internal order accounting topic makes up 8% – 12% of the total exam.



Key Concepts Refresher

In this chapter, we'll discuss the role of an internal order as a master record and order types, as well as describe the configuration that controls the internal order itself. We'll discuss how postings are made to an internal order, the process of internal orders in period-end close, and the optional planning and budgeting features.

Master Data

An *internal order* is a cost object in CO. Often, you may hear this object referred to as a “temporary cost object.” The idea is to use these fairly simple cost objects for short-term events (like that company picnic) or even for small projects. Internal orders are not complicated and have far fewer dimensions than project systems (PS).

As the short-term event is taking place, costs are accumulated against the internal order master data in real time as the financial postings occur. At the end of the accounting period, or sometimes the end of the event, the internal order goes through a periodic process called *settlement*. During settlement, the costs collected on the order are assigned to a specific receiver object; settlement is a form of cost, or overhead, allocation.

Four categories of internal orders exist, defined by their usage:

- Overhead orders: These orders are used to collect costs, with settlement to other cost objects.
- Investment orders: These orders are used to collect costs, with settlement to fixed assets. This category may be integrated with investment management (IM) and plant maintenance (PM).
- Accrual orders: These orders are used in a unique design as an offsetting cost object for calculated, or accrued, values in CO.

- Orders with revenue: These orders can be integrated with sales and distribution (SD), or used only in CO, to collect cost and revenue, with settlement to any receiver.

To use internal orders, order management must be activated at the controlling area level, as shown in Figure 4.1.

Change View "Activate components/control indicators": Details

Controlling Area: A000 Controlling Area A000
Fiscal Year: 2014 to 9999

Activate Components

Cost Centers: Component active
 AA: Activity Type
 Order Management: Component active
 Commit. Management: Components active
 Acty-Based Costing: Component Active for Parallel and Integrated Calculation
 ProfitAnalysis: costing-based account-based

Projects
 Sales Orders W. Commit. Mgt
 Cost Objects
 Real Estate Mgmt

Other Indicators

All Currencies
 Variances
 CoCd Validation

Alternative Authorization Hierarchies for Cost Centers

Alternat. Hier.1:
 Alternat. Hier. 2:

Alternative Authorization Hierarchies for Profit Centers

Alternat. Hier. 1:
 Alternat. Hier. 2:

Figure 4.1 Activate Order Management for a Controlling Area

Let's walk through the configuration settings and create an internal order master record.

Internal Order Type

An internal order master record is created by first selecting an appropriate *order type*. All the control functions of the order type are then transferred to the internal order being created.

Order types are created and maintained in Customizing. Each order type represents certain control parameters that should align to a specific business process. For example, you could create an order type that allows settlement only to a fixed asset (this order type could then support assets under construction), or you could create an order type that allows settlement only to a cost center (this order type could then support overhead cost allocations).

An internal order type is created at the SAP client level (see Chapter 2), which means that all the controlling areas of a client can use the same order types.

As shown in Figure 4.2, an order type contains the following important control functions:

- Number range interval:** This controls the number assigned to the internal order master record at creation. This range can be an internal or an external number range.
- Settlement prof.:** This controls settlement routine of the internal order.
- Planning Profile:** This controls how overall values are planned on the internal order.
- Budget Profile:** This controls order spending by using the availability control feature.
- Functional area:** This value will default to all orders created from the order type.
- Model Order:** This function can be used to provide default field values when internal orders are created, for example, a default controlling area, company code, or profit center.
- Commit. Management:** If selected, this order will be updated with commitments.
- Revenue Postings:** If selected, orders can collect revenue via the cost element category of a transaction.
- Integrated Planning:** If selected, orders will participate in integrated planning.
- Status Profile:** This function controls the lifecycle of the internal order by determining which business transactions can be executed at which phase of the order. A user status profile can be assigned in this field if more control than standard SAP field status is required.

- **Release Immediately:** If selected, orders created will be set to the status REL (released) upon saving the new master record.
- **Order Layout:** This function can be used to control the presentation of the internal order master record, for example, by positioning groups of fields on the various tabs of the order.
- **Field selection:** This function can be used to set the status of the fields of the order master record.

Change View "Order Types": Details

New Entries

Order Type: 0400 Internal orders: Marketing
 Order category: 1 Internal Order (Controlling)

Number range interval: [400000 - 499999]

General parameters		Control indicators	
Settlement prof.	YB0020	Overhead...	CO Partner Update
Strat seq. sett.rule			X Active
Planning Profile	000001	Genera1 ...	<input type="checkbox"/> Classification
Execution Profile			<input checked="" type="checkbox"/> Commit. Management
Budget Profile	000001	Genera1 ...	<input type="checkbox"/> Revenue Postings
Object class	OCOST Overhead ...		<input type="checkbox"/> Integrated Planning
Functional area			
Model Order			
	Collective order without automatic goods mo...		

Archiving		Status management	
Residence Time 1	3 Months	Status Profile	00000002 Internal Orders
Residence Time 2	Months		<input type="checkbox"/> Release Immediately
			<input checked="" type="checkbox"/> Status dependent field select.

Master data display

Order Layout:
 Print form:
 Field selection

Figure 4.2 Order Type Configuration

Tip

Field status is used to identify fields that are to be hidden, displayed, required, or optional (HDRO), which determines priority in cases of conflict.

Status Management

The various profiles mentioned earlier are created independently of the order type and can be assigned to many order types. We'll review various profiles in later sections of this chapter, but for now, let's briefly explore the status profile. Other profiles have a specific use in certain business processes, but the status profile is important for the entire order lifecycle.

Let's first look at status management purely from a database management point of view. Eventually, master data objects and line item details in our system must be aged or archived simply to manage memory and storage resources. In plain words, you could define an order lifecycle in the following way:

1. Create the master data.
2. Accumulate business transactions.
3. Mark the master data for aging.
4. Mark the line item details for archiving.

In any ERP system, flags on objects and line items direct the system on how to manage that data.

Tip

What would "order lifecycle" mean within the daily business? Let's look at an example of creating an internal order to capture expenses related to creating a new marketing brochure. This event has a beginning, a middle, and an end. When the order is created at the beginning, perhaps a good idea would be to prevent the actual cost posting to the order until a supervisor has approved the event. Then, once the brochures are complete and all costs are accumulated, preventing any other costs from posting to the order would be paramount. A user status profile can be created to manage these business transactions.

All settings for the status profile are maintained in the Customizing menu.

First, let's discuss the indicators of SAP's standard example of order status, referred to as *system status*:

- **REL (released):** If this status is set, all business transactions can post against the internal order.

Warning!

If REL is not set, then no business transactions can be posted.

- **TECO** (technically complete): If this status is set, limited business transactions can post against the internal order, but no changes can be made to the planned order values.
- **CLSD** (closed): If this status is set, only a few activities are allowed, and no financial postings are allowed. Closed orders can be marked for deletion.

For many companies, these three system status indicators are enough. To activate system status, simply leave the status profile field blank in the order type. Figure 4.3 shows us an example of leaving the status profile field blank **1** on an order type. To have the order status always set to **REL** upon creation of an order, you must also select the **Release Immediately** checkbox **2**.

The screenshot shows the SAP 'Change View "Order Types": Details' interface. The 'Status management' section is highlighted with a red box. The 'Status Profile' field is empty, marked with a red circle '1'. The 'Release Immediately' checkbox is checked, marked with a red circle '2'. Other fields in the 'Status management' section include 'Status Profile' (0000002), 'Internal Orders', and 'Status dependent field select'.

Figure 4.3 Order Type, Status Management Group without Status Profile

If more control is needed over the order lifecycle, then an optional *user status profile* can be created and assigned to the order type, as shown in Figure 4.4.

The screenshot shows the SAP 'Change View "Order Types": Details' interface. The 'Status management' section is highlighted with a red box. The 'Status Profile' field is filled with '0000002', marked with a red circle '1'. The 'Release Immediately' checkbox is checked, marked with a red circle '2'. Other fields in the 'Status management' section include 'Status Profile' (0000002), 'Internal Orders', and 'Status dependent field select'.

Figure 4.4 Order Type, Status Management Group with Status Profile

As shown in Figure 4.5, the user status profile and its rules allow you to define your own statuses by defining the following:

- User status and short text
- Indicator to set a status as the initial order status
- Lowest/highest status, which controls the subsequent status allowed

Stat...	Status	Short Text	Lon...	Init. status	Lowest status...	Highest Status No.
	LKD	Locked	<input type="checkbox"/>	<input type="checkbox"/>		
	PLIM	Write Plan Line Items	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
			<input type="checkbox"/>	<input type="checkbox"/>		
			<input type="checkbox"/>	<input type="checkbox"/>		
			<input type="checkbox"/>	<input type="checkbox"/>		

Figure 4.5 User Status Profile

As shown in Figure 4.6, each user status can be configured to allow or prohibit specific business transactions by setting the transaction control indicators.

Business Transaction	Influence				Next action		
	No infl...	Allowed	Warning	Forbidd.	No act...	Set	Delete
Actual Overhead Distribution	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
Actual Periodic Repostings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
Actual activity allocation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
Actual cost center accrual	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
Actual overhead (periodic)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
Actual settlement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
Automat. WIP/results analysis	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Complete	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enter statistical key figures	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
FI: Memo postings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
FI: Postings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
FI: Statistical postings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			
Goods Movement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>			

Figure 4.6 User Status Transaction Control

**Tip**

To prevent a business transaction from posting to an order, use the **Forbidd.** (forbidden) influence indicator in the user status profile.

Internal Order Master Record

Now that we've reviewed the configuration settings for internal orders, let's begin the process of creating an internal order. Internal orders are considered both master data and a cost object and are created on demand, whenever the business requirement exists.

Internal order master records can be created in several ways:

- Using the SAP GUI Transaction KOO1
- Using the SAP GUI Transaction KOO4
- Using the SAP Fiori app Manage Internal Orders

Using any of these methods, the first step is to enter a controlling area and use the dropdown menu to select an order type, as shown in Figure 4.7. Once selected, you cannot change the order type.

Figure 4.7 Internal Order: Create

In each method of order creation, you can also copy an existing order, which is referred to as “with reference.” In this case, under the **Reference** heading, you would enter the **Controlling Area** and the number of the internal order master record from which you want to copy.

Note

Each internal order can be assigned to only one order type.

Figure 4.8 shows some details from the internal order master record for the **General Data** and **Organizational Assignments** data groups. Required fields are indicated with an asterisk (*).

The screenshot shows the SAP 'Internal Order: New' form. The 'General Data' section includes fields for Controlling Area (A000), Order Type (0400), Estimated Costs (0,00), Currency, Processing Group (00), and various dates. The 'Assignments' section is divided into 'Organizational Assignments' (Company Code, Business Area, Plant, Functional Area, Object Class, Profit Center, Cost Center Responsible, User Responsible, Location, Location Plant) and 'Requested by' (Requesting Cost Center, Requesting Company Code, Requesting Order, WBS Element, Sales Order/Item No., External Order No.).

Figure 4.8 Internal Order: General Data and Organizational Assignments

You'll maintain the order at the controlling area level, with reference to an order type, which was created at the client level.

Key fields to fill out in the **General Data** section are as follows:

- **Controlling Area:** Identifies which controlling area the order is valid for.
- **Order:** The system will assign an order number from the number range assignment when the order is saved.
- **Order Type:** The order type was specified at order creation and cannot be changed from this view. If incorrect, exit and begin anew.
- **Currency:** Identifies the currency to be used in regard to the order. This field is required; if left blank, the default company code currency will be used.

For the **Assignments** section, fill out the **Company Code** field. This identifies for which legal entity the order is valid.

Warning!

A company code must be assigned to the controlling area entered in the **General Data** of the order; you'll won't be able to select a company code here.

The other fields in this group of the master data can be used to make assignments of the order to business area, profit center, and so on. If the order is a real (as opposed to statistical) cost object, the values entered on this order will be defaulted to the line item posted in each business transaction.

Figure 4.9 shows some details of the internal order master record for the **Status**, **Control**, and **Period-End Closing** data groups.

The screenshot shows the 'Internal Order: New' form with the 'Status', 'Control', and 'Period-End Closing' sections expanded. The 'Status' section shows System Status (Created) and options for LKD Locked and PLIM Write Plan Line Items. The 'Control' section includes Order Category (01), Internal Order (Controlling), Integrated Planning, Statistical Order, Actual Posted Cost Center, Revenue Postings, and Commitment Update (checked). The 'Period-End Closing' section includes Results Analysis Key, Costing Sheet, Overhead Key, Interest Profile, Settlement to One Receiver, Settlement Cost Element, Cost Center, and G/L Account.

Figure 4.9 Internal Order: Status, Control, and Period-End Closing

Let's take a closer look at each group:

■ Status

In this data group, the settings from the **Status Profile** assigned to the **Order Type** are displayed. Once the order is saved, you may maintain the status manually in this group.

■ Control

In this data group we can indicate integration with cost centers, planning, and other components. It contains the following:

- **Order Category:** This value defaulted from the order type and cannot be maintained.
- **Statistical Order:** If selected, this order will be posted to as a statistical cost object.
- **Actual Posted Cost Center:** If the **Statistical Order** box is selected, you can maintain the cost center to be posted to as a real cost object.
- **Integrated Planning:** If selected, this order participates in integrated planning.
- **Revenue Postings:** If selected, this order can collect revenue via the cost element category of a transaction.
- **Commitment Update:** If selected, this order will be updated with commitments.



Tip

For commitments to be active, the controlling area must also have the commitment indicator selected as described in Chapter 2. The order type can then provide a default selection to activate commitments.

■ Period-End Closing

This data group is divided between the **Period-End Closing** and **Settlement to One Receiver** data groups. The data entered in this data group determines the type of processing to be executed at period end and includes the following key fields:

- **Results Analysis Key:** This field will control valuation at period end. This is useful if the order contains revenue, or if work in process (WIP) is required for the order.
- **Costing Sheet and Overhead Key:** This field will control the overhead calculation for the order.
- **Interest Profile:** This field will control the interest calculation.
- **Settlement Cost Element:** If there will be one, and only one, receiver of the order value during periodic settlement, then enter the cost element (category 21) in this field (see Chapter 3).

- **Cost Center:** If there will be one, and only one, cost center as receiver of the order value during periodic settlement, enter the cost center in this field.
- **G/L Account:** If there will be one, and only one, general ledger (G/L) account posted to during periodic settlement, enter the G/L account in this field.

Note

Settlement to one receiver is often referred to as “basic settlement.” We’ll review more detailed options for settlement, or “extended settlement,” in the “Period-End Close” section.

Finally, as shown in Figure 4.10, additional data groups on the order master record include the following:

- **Investment Management:** If the order is integrated with inventory management (IM), those parameters can be entered in this data group.
- **Translation and Long Text:** Language translations, if applicable, will be located in this data group.
- **Change Documents:** This data group is an order-level change log.

The screenshot shows the SAP 'Internal Order: New' screen. The 'Investments' data group is expanded, showing two sub-sections: 'Investment Management' and 'Assignment to Investment Program/Appropriation Request'. The 'Investment Management' section includes fields for Investment Profile, Scale, Investment Reason, and Environmental Investment. The 'Assignment to Investment Program/Appropriation Request' section includes fields for Investment Program, Approval Year, Position ID, and Appropriation Request. Below these is a 'Depreciation Simulation Data' section with fields for Asset Class and Capitalization Date. At the bottom, there are expandable sections for 'Translation and Long Text' and 'Change Documents'.

Figure 4.10 Internal Order: Investments, Translation, and Change Documents

**Tip**

Remember that the order layout of an order type determines what data groups and field statuses default from the order master record.

An internal order master record can be managed by creating order groups. Since the order number depends on the number range assigned in configuration, grouping similar orders together for reporting purposes can be helpful. Groups can be created using two methods:

- Manually using Transaction KOH1: If only a few orders need to be grouped together, you can enter each order number manually.
- Automatic collective processing using Transaction KOK4: If many orders should be grouped together, you can create a rule to automatically include orders in a group if the orders share the same profit center, for example.

In addition to collectively creating groups, Transaction KOK4 contains these additional features:

- Change order status
- Apply substitution rule

Business Transactions

Now that you have a firm understanding of the order type and the order master record, let's focus on the business transactions whose values will accumulate on the internal order.

If the G/L account being posted to is integrated with CO (see Chapter 3), a real (non-statistical) internal order can be entered on the line item of the posting to meet the FI-CO process integration (or CO account assignment) requirement.

Before reviewing the basics of posting financial transactions to internal orders, let's look at the status of an order once again. Figure 4.11 shows the status data group of an order master record. In this data group, the order status can be manually maintained.

Remember that the status profile controls this activity. To see how the transaction control works, click **Display Allowed Transactions**. As shown in Figure 4.12, a listing of business transactions that can be executed against the internal order is then displayed.

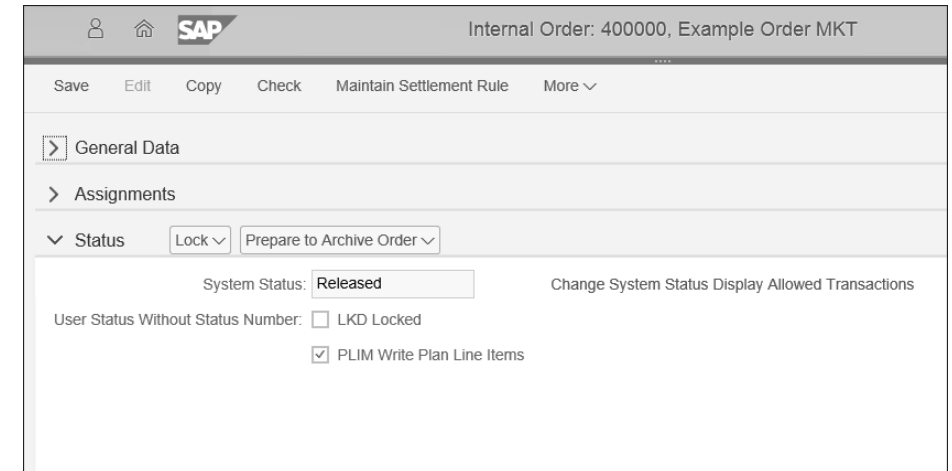


Figure 4.11 Order Status Group as Seen on the Internal Order Master Record

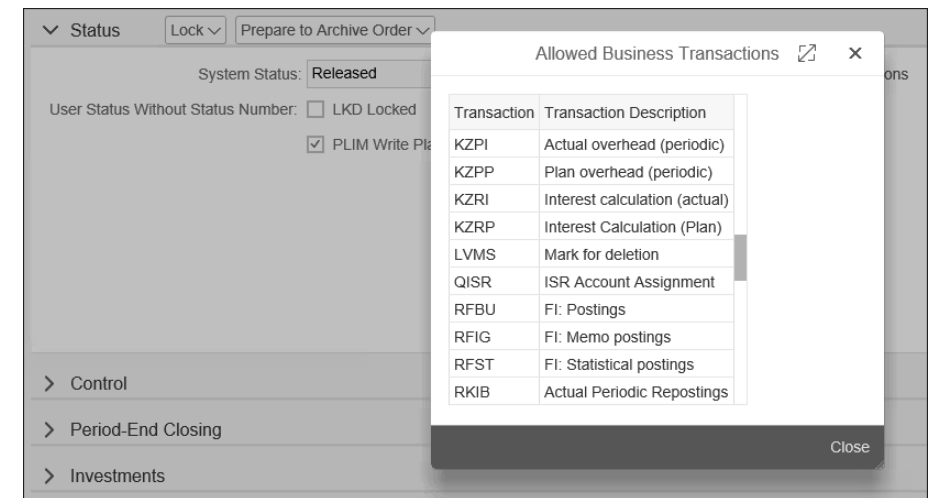


Figure 4.12 Allowed Business Transactions at the Order Level

Posting Integrated Transactions

As financial transactions are being recorded throughout the organization, internal orders are updated in real time—provided the order number was entered in the original FI document. So, exactly where can the internal order number be entered? The following are a few common examples:

■ On a purchase order line item

If the buyer enters an account assignment category F (order) on the purchase order line item, then an order number is required to save the order. This order number will transfer to the goods receipt and the logistics invoice verification—both of which create financial postings.



Note

If commitments are active on the internal order, the undelivered purchase order item value will be visible at the order level. This occurs prior to the goods receipt.

■ On a customer invoice

If integrated with sales and distribution (SD), the order number can default from the sales order line item. If not integrated, the order number can be manually entered in the FI accounts receivables invoice document.

■ On a vendor invoice

If integrated with purchasing, the order number can default from the purchase order (as described in Chapter 2). If not integrated, the order number can be manually entered in the FI accounts payables (AP) invoice document.

■ On a G/L manual posting

The order number can be manually entered for any G/L account number that is integrated with CO (see Chapter 3).

Figure 4.13 shows an example of the creation of a vendor invoice (not integrated with purchasing). Notice the internal order number is entered in the **Order** field for the G/L account **Purchased Services**.



Warning!

The internal order number used here must be assigned to the same company code entered in the line item of the FI document. If not, the user will receive an error message.

When the FI document is posted, all relevant data from the internal order master record is transferred to the posting. As shown in Figure 4.14, in our example, the profit center and business area were defaulted from the order for the expense line of **Purchased Services**.

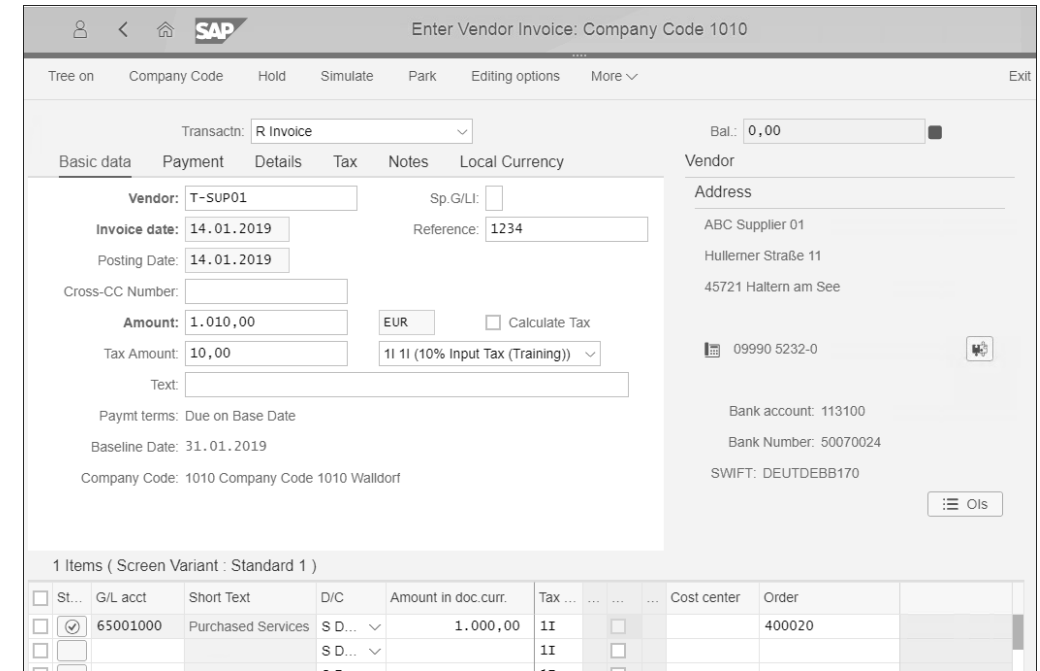


Figure 4.13 Enter Vendor Invoice with Internal Order

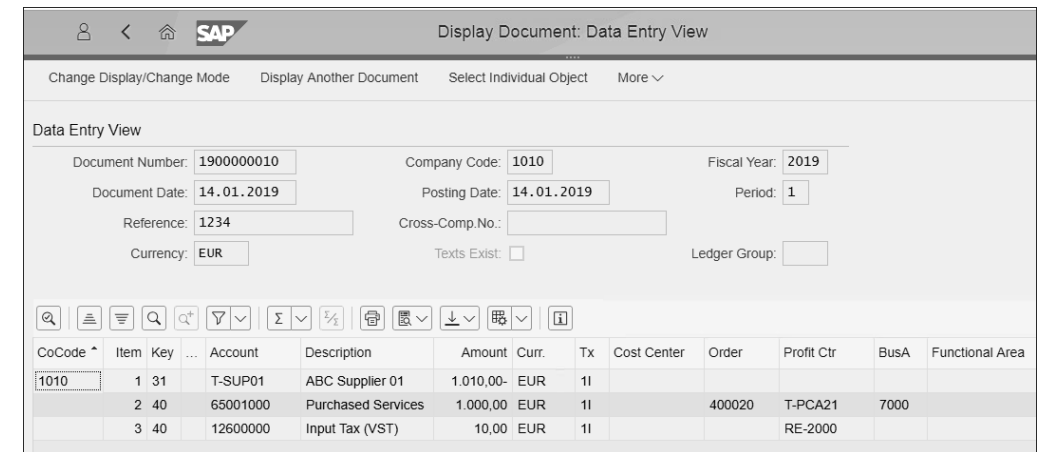


Figure 4.14 Vendor Invoice Posted with Internal Order

When the document is posted, the order information is updated in real time, as shown in Figure 4.15.

Order	Order	G/L Account	G/L Account	Actual Amount	Plan Amount	Difference	%-Difference
400020	New Product Brochure	Purchased Services	65001000	1.000,00 EUR		1.000,00 EUR	
Overall Result				1.000,00 EUR		1.000,00 EUR	

Figure 4.15 Internal Orders: Plan/Actual Report

Commitment Management

Commitment management is an optional feature that allows visibility on an internal order into all open purchase requisitions and purchase orders—provided the order number was entered in the purchasing document.

Activation of this feature is created by:

1. Indicator for the controlling area
2. Indicator for the order type
3. Indicator for the order master data

Tip

If you are managing a high-value capital project using an internal order, visibility of open purchase commitments for the project could be quite useful.

Period-End Close

As part of the period-end close process, internal orders can be debited and credited by using various techniques. The following are a few examples:

- Cost center allocations can debit internal orders with expenses if the order is named as a receiver (see Chapter 3).
- Overhead costing sheets can debit internal orders with costs if the costing sheet is entered in the order master record.
- Internal orders can be the sender of costs via periodic repostings (see Chapter 3).
- Internal orders can be the sender of costs through the settlement process.

Tip

As we look at overhead costing, keeping in mind the different “senders” and “receivers” of overhead could be useful. Any real cost object can be a sender/receiver. Think of this scenario as a realignment of responsibility: An internal order was used as a temporary cost object, but at period end, we could determine who is next responsible and transfer the cost to that receiver.

In this section, we’ll walk through two key processes for period-end close.

Overhead Costing Sheet

This technique is commonly used to allocate costs in several CO components: cost center accounting, product costing, and internal orders.

Three main elements, or steps, determine the calculation for overhead costing:

1. The *calculation base* is used to identify the amount to which overhead is applied. This amount is expressed by cost elements.
2. The *overhead amount* indicates how much overhead to apply. This value can be expressed as a percentage or using a quantity-based method, and you can also distinguish between actual, plan, and even commitment amounts.
3. The *credit key* indicates the sender (either a cost center or an internal order) of the overhead. With the credit key, you can also identify the secondary cost element (category 41) for the posting to take place on when executed.

Let’s look at an example. As shown in Figure 4.16, a simple overhead costing sheet consists of two rows:

- Row 10 defines the calculation base as X00.
- Row 20 defines the overhead amount as Y00, which is to be applied to the result of row 10. This row also defines the credit key as Z00.

Row	Base	O. Rate	Description	From	To Row	Cr.
010	X00		OH BASE			
020		Y00	O/H Rate	10	10	Z00

Figure 4.16 Overhead Costing Sheet

To better understand the calculation, let's look at the details found on the costing sheet, as shown in Figure 4.17.

Row	Base	O. Rate	Description	From	To Row	Cr.									
010	X00		OH BASE												
<table border="1"> <thead> <tr> <th colspan="2">Cost portion:</th> <th>Total</th> </tr> <tr> <th>From CE</th> <th>To CE</th> <th>Cost Elem.Group</th> </tr> </thead> <tbody> <tr> <td>60000000</td> <td>69999999</td> <td></td> </tr> </tbody> </table>							Cost portion:		Total	From CE	To CE	Cost Elem.Group	60000000	69999999	
Cost portion:		Total													
From CE	To CE	Cost Elem.Group													
60000000	69999999														
020	Y00		O/H Rate	10	10	Z00									

Figure 4.17 Overhead Base X00

By expanding row 10, as shown in Figure 4.17, you'll see the range of cost elements (from 60000000 to 69999999) defines the calculation base of X00. If the internal order has any posted values to cost elements in this range, the total value will be the basis for the overhead calculation.

By expanding row 20, as shown in Figure 4.18, you'll see that the rate of 10% defines the overhead amount of Y00 and that the credit key of Z00 determines the cost element as 94111000 and the sender cost object as cost center 10101601.



Tip
When creating an overhead amount key, you may use a dependency. In this example, the overhead type is the dependency. We could assign a different percentage for plan, actual, and commitments, and other dependencies are available.

How does SAP S/4HANA bring together these various components of a costing sheet? Let's look at a simple example:

1. If overhead costing sheet XYZ00 is assigned to the internal order master record
2. And the internal order has an actual posted value of \$1,000 to cost element 60001000
3. Then the overhead amount will be \$100 (\$1,000 × 10%)
4. And the internal order will be debited \$100, and cost center 10101601 will be credited all on cost element 94111000

Row	Base	O. Rate	Description	From	To Row	Cr.														
010	X00		OH BASE																	
020	Y00		O/H Rate	10	10	Z00														
<table border="1"> <thead> <tr> <th>Valid From</th> <th>Valid To</th> <th>COAr</th> <th>OT</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>01/01/2016</td> <td>12/31/9999</td> <td>A000</td> <td>1</td> <td>10.000</td> </tr> </tbody> </table>							Valid From	Valid To	COAr	OT	Percentage	01/01/2016	12/31/9999	A000	1	10.000				
Valid From	Valid To	COAr	OT	Percentage																
01/01/2016	12/31/9999	A000	1	10.000																
<table border="1"> <thead> <tr> <th>Valid To</th> <th>Cost Elem.</th> <th>OrGp</th> <th>Fxd %</th> <th>Order</th> <th>Cost Ctr</th> <th>Bus. Process</th> </tr> </thead> <tbody> <tr> <td>12/31/9999</td> <td>94111000</td> <td></td> <td>*0.00</td> <td></td> <td>10101601</td> <td></td> </tr> </tbody> </table>							Valid To	Cost Elem.	OrGp	Fxd %	Order	Cost Ctr	Bus. Process	12/31/9999	94111000		*0.00		10101601	
Valid To	Cost Elem.	OrGp	Fxd %	Order	Cost Ctr	Bus. Process														
12/31/9999	94111000		*0.00		10101601															

Figure 4.18 Overhead Rate Y00 and Credit Key Z00

Settlement

The last step in the period-end close process for internal orders is referred to as *settlement*. During the accounting period, the temporary cost collector has accumulated costs through actual postings. At period end, our task is to properly pass on to other cost objects their share of these costs.

Note
The settlement of internal orders is not mandatory.

Two settlement procedures are available in SAP:

- Simple settlement: Receiver information is entered on the **Prd-end closing** tab of the order, as shown in Figure 4.19.
- Extended settlement: Receiver information is entered in a *settlement rule*, where you can enter *distribution rules*, as shown in Figure 4.20. These distribution rules can be used to allocate costs to more than one receiver and are controlled by a *settlement profile* assigned to the order type.

The screenshot shows the 'Prd-end closing' configuration screen. It includes fields for 'Order' (400000), 'Order type' (0400), and 'Description' (Example Order MKT). The 'Prd-end closing' tab is active, showing sections for 'Period-End Closing' and 'Settlement to One Receiver'. The 'Settlement to One Receiver' section includes fields for 'Settlement Cost Elem', 'Cost Center', and 'G/L Account'.

Figure 4.19 Simple Settlement

The screenshot shows the 'Maintain Settlement Rule: Overview' screen. It includes fields for 'Order' (400000) and 'Actual settlement'. Below is a table titled 'Distribution rules' with the following columns: Cat, Settlement Receiver, Receiver Short Text, %, Equivalence No., Se..., No., S..., Fro..., From..., To ..., To Fi..., First Used, Last Used.

Cat	Settlement Receiver	Receiver Short Text	%	Equivalence No.	Se...	No.	S...	Fro...	From...	To ...	To Fi...	First Used	Last Used

Figure 4.20 Extended Settlement

The settlement profile contains all control parameters for extended settlement and is entered in the **General parameters** section of the order type in configuration, as shown in Figure 4.21.



Tip

A single settlement profile could be assigned to many order types.

The screenshot shows the 'Change View "Order Types": Details' screen. It includes fields for 'Order Type' (0400), 'Order category' (Internal Order (Controlling)), and 'Number range interval' (400000 - 499999). The 'General parameters' section is highlighted, showing fields for 'Settlement prof.' (YB0020), 'Strat seq. sett.rule', 'Planning Profile' (000001), 'Execution Profile' (A000), 'Budget Profile' (000001), 'Object class' (Overhead costs), 'Functional area', 'Model Order', and 'Collective order without automatic goods mov...'. The 'Control indicators' section shows 'CO Partner Update' (Active) and checkboxes for 'Classification', 'Commit. Management', 'Revenue Postings', and 'Integrated Planning'.

Figure 4.21 Settlement Profile in Order Type

The settlement profile, shown in Figure 4.22, controls the following:

- Determines if an order can be settled
- Indicates the appropriate receivers
- Assigns additional structures, if required
- Controls indicators that determine cost apportionment methods:
 - Percentages
 - Amounts
 - Equivalence numbers
- Determines the document type used in settlement posting
- Controls the number of distribution rules allowed

Warning!

Even if you're using simple settlement, you must have a settlement profile assigned to order types. If no settlement profile exists, the order will not be included in the period-end close settlement.



Change View "Settlement Profile": Details

New Entries

Settlement Profile: YB0020 Overhead costs

Actual Costs/Cost of Sales	Valid Receivers
<input checked="" type="radio"/> To Be Settled in Full <input type="radio"/> Can Be Settled <input type="radio"/> Not for Settlement	G/L Account: Settlement Optional Cost Center: Settlement Optional Order: Settlement Optional WBS Element: Settlement Optional Fixed Asset: Settlement Not Allowed Material: Settlement Optional Network: Settlement Not Allowed Profit. Segment: Settlement Optional Sales Order: Settlement Not Allowed Cost Objects: Settlement Not Allowed Order Item: Settlement Not Allowed Business Proc.: Settlement Not Allowed Real Est. Object: Settlement Not Allowed
Default Values	Other Parameters
Allocation Structure: Y1 CO allocation ... Source Structure: <input type="checkbox"/> PA transfer struct.: 10 Settlement of ... Default Object Type: CTR Cost center	Document Type: SA G/L Account Document Max.No.Dist.Rls: 10 Residence Time: 3 Months
Indicators	
<input type="checkbox"/> 100%-Validation <input checked="" type="checkbox"/> %-Settlement <input checked="" type="checkbox"/> Equivalence Numbers <input type="checkbox"/> Amount Settlement <input type="checkbox"/> Variances to Costing-Based PA	

Figure 4.22 Settlement Profile

There are also the following three different structure types, which are assigned to the settlement profile:

■ Allocation structure

An *allocation structure* determines which cost elements will be posted to at settlement and is entered in the settlement profile. An allocation structure allows you to choose, by receiver type, either a secondary cost element or the original primary cost element, as follows:

- For settlement internal to CO: The secondary cost element used for order settlement must have cost element type (category) 21 in its definition.
- For settlement external to CO: The secondary cost element used for order settlement must have cost element type (category) 22 in its definition. This approach is usually seen when settling an asset for a G/L account.

Figure 4.23 shows an example of an allocation structure that allows the use of a secondary cost element if the receiver is a fixed asset or a cost center. However, if the receiver is another order, you'll want to use the original cost element of the posted cost.

Allocation Structure	Y1	CO allocation structure	
Assignment	040	Secondary costs	
Controlling Area	A000	Controlling Area A000	
Settlement cost elements			
Receiver cat.	By cost element	Settlement Cost Elem	Name
FXA	<input type="checkbox"/>	71115000	
CTR	<input type="checkbox"/>	92112000	Order SettlCost
ORD	<input checked="" type="checkbox"/>		

Figure 4.23 Allocation Structure

■ PA transfer structure

If you are settling to a costing-based profitability analysis (CO-PA) profitability segment, a CO-PA transfer structure (PA transfer structure) is required to map cost elements used to post settlement to value fields in CO-PA. You'll enter this value into the settlement profile.

■ Source structure

This structure allows you to group certain cost elements together for assignment to different receivers in the settlement rules. This structure can be assigned to the settlement profile or entered in the order master record.

Tip

Let's consider an example. Your order supports a training event. You have a requirement to settle internal personnel costs from the order to the human resources cost center, but any outside service costs should be settled to the training cost center. Use a source structure to group these different cost elements, then enter the distribution by receiver in the settlement rule.

Planning and Budgeting

Planning and *budgeting* are optional features that can be used with internal orders to monitor and control spending against an order. These features can be implemented alone or together.

Planning provides values to compare to actual cost. Often, planning is referred to as "funds requested." Budgeting provides a tighter control by preventing overspending. Often, budgeting is referred to as "funds approved."

**Tip**

To analyze plan/actual/variance for an order, you may want to plan spending by cost element. Then, using the information system plan versus actual can be analyzed.

To control spending for an order, you may want to create an overall budget and availability control with actions that determine how far over budget the values may go.

Planning

Planning can be performed for costs, activities, and business processes that will be incurred over the life of the order.

The levels of planning include:

- **Overall planning**

This option is the simplest way to plan for an order. Values are planned at the order header level as overall and/or by year.

- **Primary/secondary cost planning**

This option is the most commonly used scope. When you have detail about expected spending by cost element, the analysis of plan versus actual is the most meaningful.

Within this scope, two methods are available:

- Manual planning: Plan costs are entered manually into a planning layout by cost element, activity input, and revenue.
- Automatic planning: Plan costs are calculated by use of an overhead rate, distribution, assessment, indirect activity allocation, process costs, and settlement.

- **Unit costing**

This feature allows for a lower level of planning detail than overall planning.

- **Statistical key figures**

Key figures such as headcount or square footage can be planned for use in reporting and periodic reposting.

A *planning profile* contains all planning parameters, as shown in Figure 4.24. Planning profiles are assigned to internal order types.

Figure 4.24 Planning Profile

Since planning is often an iterative process, you can use multiple *planning versions* to manage various plan assumptions. This method is the same version control referenced in Chapter 2, with version 0 always indicating actual values.

For planning purposes, two indicators in the version are important, as shown in Figure 4.25:

- The **Integrated Planning** checkbox allows plan values to be passed on to profit center accounting and special purpose ledgers.
- The **Integrated planning with cost centers/bus. processes** checkbox allows order planning to integrate with these components.

Tip

Order planning is only used for longer-term orders or large values. In other cases, order planning for each internal order would be impractical.



The screenshot shows the 'Planning' tab in SAP S/4HANA. At the top, it displays 'CO Area' as A000 (Controlling Area A000), 'Version' as 0 (Plan/actual version), and 'Fiscal Year' as 2019. Below this, there are two sub-sections: 'General indicators' and 'Orders/projects'. In 'General indicators', the 'Integrated Planning' checkbox is checked and highlighted with a red box. In 'Orders/projects', the 'Integrated planning with cost centers/bus. processes' checkbox is also checked and highlighted with a red box. Other options like 'Version Locked' and 'Copying Allowed' are unchecked.

Figure 4.25 Planning Version Indicators

In SAP S/4HANA, internal order plan values should be entered using embedded SAP Business Warehouse (SAP BW) and SAP Analysis for Microsoft Office. This planned data can then be retracted.

Budgeting

Budgeting and availability control are features used to control the actual spending of an internal order. These features are popular when using orders to track capital expenditures and any other large-dollar events with a finite amount of funds available.

A *budget profile* must be created and assigned to the order type. All control parameters are found on this profile, including the activation type for **Availability Control**, as shown in Figure 4.26.

Availability control provides a system response when posting to an order based on three actions:

- Action 1: Warning to user
- Action 2: Warning to user and email to budget manager
- Action 3: Error to user

The screenshot shows the 'Change View "Budget Profile for CO Orders": Details' screen. The 'Budget profile' is set to 000001 with the text 'General budget profile'. The 'Time Frame' section shows 'Past' as 1, 'Future' as 3, and 'Start' as empty. The 'Investment Management' section has 'Program type budget' as empty. The 'Currency Translation: Overall Budget' section shows 'Exch. Rate Type' as M and 'Value Date' as empty. The 'Availability Control' section shows 'Activation Type' as 1 Usage. The 'Representation' section shows 'Decimal places' as 2 and 'Scaling factor' as empty. The 'Budgeting Currency' section has 'Controlling Area Currency' selected.

Figure 4.26 Budget Profile

Each of these actions can have a budget tolerance expressed as a percentage or an absolute variance, as shown in Figure 4.27.

Order Availability Control: Tolerance Limits						
COAr	Prof.	Text	Tr.Grp	Act.	Usage i...	Abs.variance
A000	000001	General budget profile	++	1		95.00
A000	000001	General budget profile	++	2	105.00	
A000	000001	General budget profile	++	3	115.00	

Figure 4.27 Availability Control Tolerance Limits

Note

Notice that the tolerance is assigned to a budget profile at the controlling area level.



For example, if an order has a budget of \$1,000 and a posting is attempted in the amount of \$951, the system will trigger a warning message to the user upon posting, as shown in Figure 4.28.

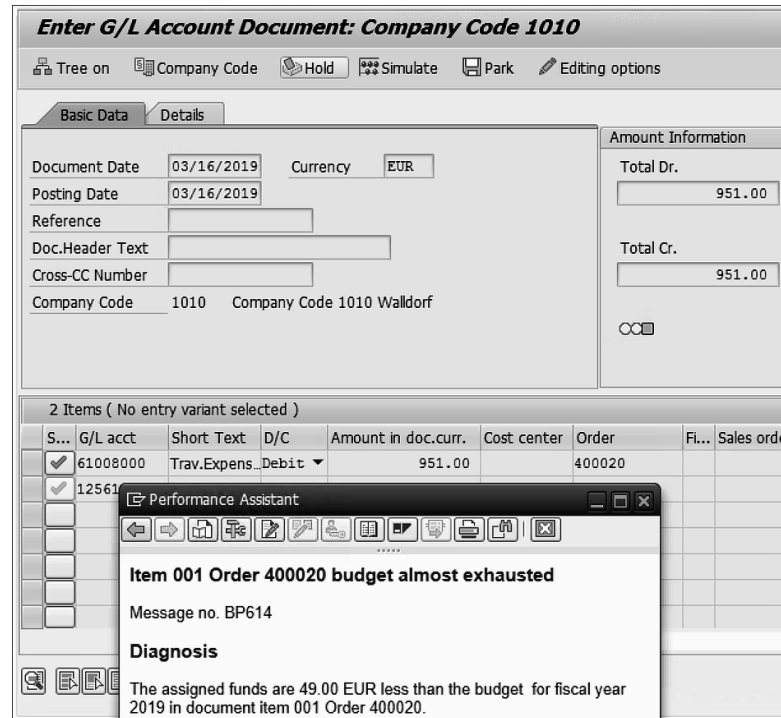


Figure 4.28 Availability Control Action 1 User Warning Message

If an order has a budget of \$1,000 and a posting is attempted in the amount of \$1,151, the system will trigger an error message to the user upon posting, as shown in Figure 4.29.

If action 2 is in use, you must also configure a budget manager in Customizing.



Tip

During configuration, you can exempt specific business transactions and cost elements from the availability control feature.

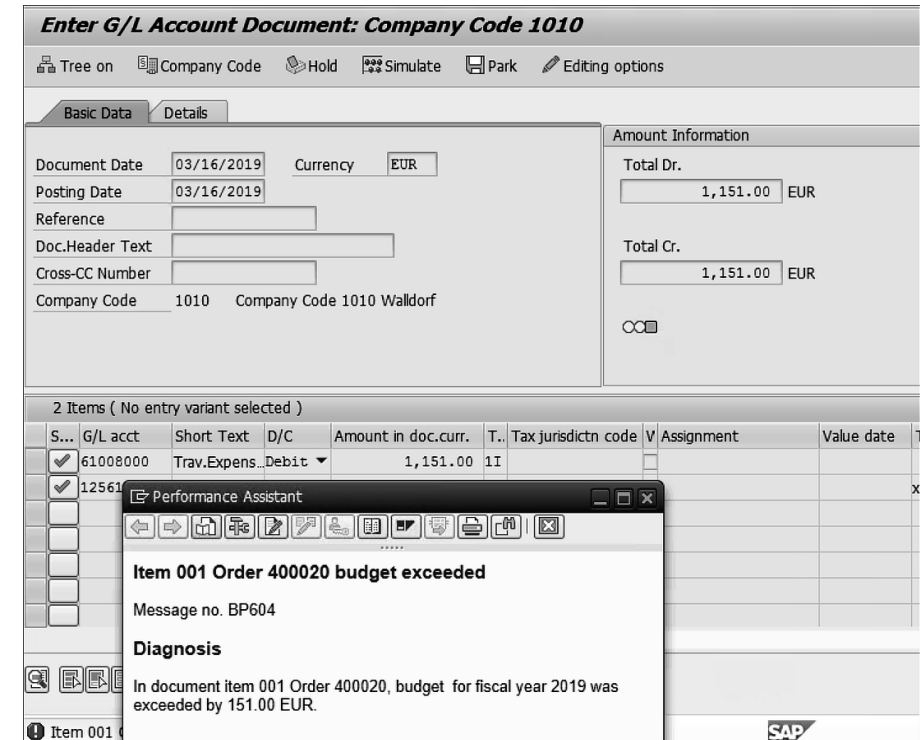


Figure 4.29 Availability Control Action 3 User Error Message

Important Terminology

In this chapter, the following terminology was used:

- **Allocation structure**
An allocation structure controls how original cost elements are assigned to settlement cost elements.
- **Automatic collective processing**
This kind of processing allows the grouping of multiple orders so that changes can be made at one time using substitution rules.
- **Availability control**
This feature controls order spending based on tolerance to budget.

- **Budget profile**

A budget profile controls a budget's settings such as timeframe, exchange rate, currency, and the activation of availability control.

- **Commitment management**

This process can be used to identify future costs from existing purchase requisitions and purchase orders. This capability is activated at the controlling area level and by order type.

- **Internal order**

An internal order is a cost collector for short-lived projects or events.

- **Order grouping**

This flexible tool can manage orders, whether created manually or via automatic collective processing.

- **Order type**

An order type contains all control parameters, including number range, for internal order master records.

- **Overhead costing sheet**

The overhead costing sheet holds rules for applying overhead. Its three central elements are its calculation base, the overhead amount, and the percentage/quantity-based approach.

- **Planning level**

The planning level determines how much detail is used to plan order cost. The three levels are overall, primary/secondary costs, and unit costing.

- **Planning profile**

A planning profile contains all control parameters for overall planning and is assigned to the order type.

- **Settlement**

This process is a periodic pass through of order costs to other receivers.

- **Settlement profile**

A settlement profile contains all control parameters that govern the settlement process.

- **Source structure**

A source structure controls the settlement to different receivers based on original cost.

- **Status profile**

A status profile controls which business transactions are valid during the order lifecycle.

Practice Questions

These practice questions will help you evaluate your understanding of the topics covered in this chapter. The questions shown are similar in nature to those found on the certification examination. Although none of these questions will be found on the exam itself, they will allow you to review your knowledge of the subject. Select the correct answers and then check the completeness of your answers in the "Practice Question Answers and Explanations" section. Remember that on the exam you must select all correct answers and only correct answers to receive credit for the question.

1. At what organizational level are internal orders created?
 - A. SAP client
 - B. Company code
 - C. Controlling area
 - D. Operating concern

2. True or False: Internal orders can be used to collect revenue.
 - A. True
 - B. False

3. If activated, availability control offers which benefit?
 - A. Used to notify the budget manager that budget is depleted
 - B. Uses plan values to create a budget
 - C. Used with postings to update commitments

4. Where do you activate commitment management for internal orders? (There are two correct answers.)
 - A. Controlling area
 - B. Company code
 - C. Order type
 - D. Budget profile

5. Which of the following are features of SAP system status? (There are two correct answers.)
- A. Controls the lifecycle of an order
 - B. Can be configured
 - C. Requires a status profile
 - D. Determines which business transactions can post to an order
6. Which of the following does the budget profile control?
- A. Planning level
 - B. Availability control
 - C. Allocation structure
7. Which of the following are assigned to an order type? (There are three correct answers.)
- A. The number range for orders
 - B. The description of the order
 - C. General parameters for settlement, planning, and budgeting
 - D. The profit center of the order
 - E. The status profile
8. Tolerance limits are assigned to which organization level?
- A. Order type
 - B. SAP client
 - C. Controlling area
9. Which of the following are organizational assignments contained in the order master? (There are three correct answers.)
- A. Company code
 - B. Order type
 - C. Controlling area
 - D. Business area
 - E. Cost center

10. Which of the following can be a receiver for an internal order settlement? (There are three correct answers.)
- A. A fixed asset
 - B. A settlement profile
 - C. A general ledger (G/L) account
 - D. A cost object
 - E. A statistical key figure
11. True or False: Planning for internal orders is required in SAP S/4HANA.
- A. True
 - B. False
12. When using budgeting and availability control for internal orders, at which action is an email sent to the budget manager?
- A. When the original budget is entered on the order
 - B. When spending on the order will exceed the third tolerance limit
 - C. When spending on the order will exceed the second tolerance limit
13. Which feature can be used to settle certain costs to different receivers?
- A. Settlement profile
 - B. Source structure
 - C. PA transfer structure
14. Which element of an overhead costing sheet identifies the sender of the overhead?
- A. Calculation base
 - B. Credit key
 - C. Overhead amount

15. Which setting controls where fields are positioned on the internal order master record?

- A. Status profile
- B. Field selection
- C. Order layout

Practice Question Answers and Explanations

1. Correct answer: C

Orders are created within a controlling area. In the header of the order, you can then assign a company code and other organizational structures, but the initial creation is by controlling area.

2. Correct answer: A

True. If the order type has the revenue checkbox selected, the orders that are created with this order type can then be used to collect revenue. Remember a checkbox for revenue on the order master record is also available.

3. Correct answer: A

The purpose of availability control is to define the usage limits of a budget based on three actions. The second action triggers a notice to whomever is identified as the budget manager.

4. Correct answers: A, C

First, the controlling area must have commitment management activated. Next, the order type can indicate which commitments are in scope.

5. Correct answers: A, D

These activities are features of SAP-controlled system statuses. The remaining choices refer to a user status, which can be configured to meet specific requirements.

6. Correct answer: B

The budget profile determines the activation type for availability control.

7. Correct answers: A, C, E

Each order type contains all control parameters for creation of the internal order master data. The controls include a number range; profiles for settlement, planning, and budgeting; and a profile to control the status of the internal order. Order description and profit center are fields on the internal order master data.

8. Correct answer: C

Each budget profile can have its own tolerance limits, but they are assigned at the controlling area organization level.

9. Correct answers: A, C, D

An internal order is created by entering a controlling area and an order type. Of these two objects, only the controlling area is considered an organizational assignment. In the **General Data** section of the internal order, you can make the additional organizational assignments of company code and business area. You can also enter a responsible cost center, but this information would be considered master data, not an organizational assignment.

10. Correct answers: A, C, D

The settlement profile assigned to the order type can allow an order to settle to other cost objects or to master data in FI. Of the possible answers, only fixed assets, G/L accounts, and cost objects could act as receivers.

11. Correct answer: B

False. Planning is an optional feature for internal orders. Typically, we plan for orders that require significant spending or need to be managed over a long period of time.

12. Correct answer: C

Three actions are triggered by spending compared to budget: action 1 sends a warning message to the user when the first budget tolerance limit has been reached; action 2 sends a warning message to the user and an email to the budget manager when the second budget tolerance limit has been reached; action 3 sends an error message to the user when the third budget tolerance limit has been reached.

13. Correct answer: B

The source structure allows for the grouping of cost elements to be assigned to different receivers at settlement. The PA transfer structure is used when settling to costing-based CO-PA. Both of these structures are assigned to the settlement profile.

14. Correct answer: B

The components of the overhead costing sheet are the calculation base, which determines the amount to calculate the overhead on; the overhead amount, which determines how much overhead to apply; and the credit key, which determines which cost object is the sender of the overhead as well as the secondary cost element for posting.

15. Correct answer: C

The order layout can be used to position the tabs and fields of orders in a specific way. You can create different order layouts for each customer requirement and for each order type.

Takeaway

In this chapter, we focused on using internal orders as cost objects. We began with a review of how to activate internal orders at the controlling area level and discussed the four categories of internal orders: overhead, investment, accrual, and with revenue.

Next, we looked at the most important configuration object—the order type. Order types are aligned to specific business processes by the controls assigned. Each order type can use different rules, or profiles, to determine how to manage the business processes of settling, planning, and budgeting internal orders. Each profile has its own indicators relevant to the specific business process.

You should now understand how to create an order master record and the basics of the value flow from financial transactions to internal orders, including optional features to measure commitments. The period-end close process, which the optional use of an overhead costing sheet, was also reviewed, and we covered the periodic settlement of orders.

Armed with this information, you should be well equipped to meet the objectives of this portion of the test.

Summary

Internal orders offer a flexible cost collector for short-term projects and events, and a solid understanding of internal orders is necessary to meet your customers' requirements. You should now understand the most common configuration settings, as well as how to manage the order lifecycle.

This chapter completes our review of the components of CO-OM. Now, we can move on to the next component: product cost planning. In the next chapter, you'll learn what objects are needed in configuration to create material cost estimates for product cost planning.

Contents

Preface	13
Introduction: The Path to Certification	19
1 SAP HANA, SAP S/4HANA, and SAP Fiori	47
<hr/>	
Objectives of This Portion of the Test	48
Key Concepts Refresher	49
Digital Transformation	49
Intelligent Enterprise Framework	49
SAP S/4HANA	53
The SAP Fiori User Interface	58
Important Terminology	69
Practice Questions	70
Practice Question Answers and Explanations	74
Takeaway	78
Summary	78
2 Organizational Assignments and Process Integration	79
<hr/>	
Objectives of This Portion of the Test	81
Key Concepts Refresher	81
Positioning Management Accounting	82
Organizational Units for Controlling	82
Components of Management Accounting	97
Cost Objects	98
Integration with Other Processes	99
Important Terminology	102
Practice Questions	104

Practice Question Answers and Explanations	108
Takeaway	111
Summary	111

3 Cost Center Accounting 113

Objectives of This Portion of the Test	114
Key Concepts Refresher	115
Master Data	116
Primary Postings	135
Adjustment Postings	145
Cost Center Reporting	146
Period-End Close	150
Important Terminology	160
Practice Questions	163
Practice Question Answers and Explanations	169
Takeaway	172
Summary	173

4 Internal Orders 175

Objectives of This Portion of the Test	176
Key Concepts Refresher	177
Master Data	177
Business Transactions	190
Period-End Close	194
Planning and Budgeting	201
Important Terminology	207
Practice Questions	209
Practice Question Answers and Explanations	212

Takeaway	214
Summary	214

5 Product Cost Planning 215

Objectives of This Portion of the Test	217
Key Concepts Refresher	217
Product Cost Planning Methods	218
Product Cost Planning Basics	219
Product Cost Planning Configuration	223
Cost Estimate without Quantity Structure	234
Cost Estimate with Quantity Structure	246
Costing Run	265
Transfer Control	271
Important Terminology	272
Practice Questions	275
Practice Question Answers and Explanations	279
Takeaway	283
Summary	283

6 Cost Object Controlling 285

Objectives of This Portion of the Test	286
Key Concepts Refresher	287
Methods and Valuation Phases	288
Product Cost Controlling by Period	289
Product Cost Controlling by Order	305
Sales Order-Related Scenarios	328
Important Terminology	340
Practice Questions	343
Practice Question Answers and Explanations	348

Takeaway	350
Summary	351

7 Profitability Analysis 353

Objectives of This Portion of the Test	354
Key Concepts Refresher	355
Overview of Profitability Analysis	355
Organizational Structures	357
Master Data	366
Enhancements with the Universal Journal	373
Flow of Actual Data	375
Planning	377
Reporting	381
Predictive Accounting	383
Important Terminology	383
Practice Questions	385
Practice Question Answers and Explanations	388
Takeaway	391
Summary	391

8 Profit Center Accounting 393

Objectives of This Portion of the Test	394
Key Concepts Refresher	395
Master Data	396
Transfer Pricing	401
Integration with Financial Accounting	405
Integration with Materials Management	416
Integration with Sales and Distribution	420
Period-End Close	423

Important Terminology	426
Practice Questions	429
Practice Question Answers and Explanations	433
Takeaway	435
Summary	436

9 Reporting 437

Objectives of this Portion of the Test	438
Key Concepts Refresher	439
SAP S/4HANA Reporting	439
List Display	441
Report Painter	441
Drilldown Reporting	442
Important Terminology	443
Practice Questions	444
Practice Question Answers and Explanations	446
Takeaway	448
Summary	448

The Authors	449
Index	451

Index

A

ABAP	59
ABAP list viewer (ALV)	441
Account assignment indicator	418
Account assignment object	141, 160
Account group	118
Account type	118
Account-based CO-PA	88, 356, 369, 383
<i>planning</i>	375, 378
<i>reporting</i>	381
<i>tables</i>	365
Accrual allocation	151
<i>logic</i>	153
Accruals	151, 161
<i>calculate</i>	154
<i>order</i>	177
<i>transfer to FI</i>	154
Acquisition transaction processing (APC)	416
Active derivation	374
Active splitting	408
<i>characteristics</i>	408
<i>components</i>	409
Activity allocation	161
Activity price	161
Activity quantities	158
Activity type	127, 161, 163, 166, 171, 256
<i>category</i>	127
Actual	102
Actual costing	241, 401
Actual data flow	375
Additional learning resources	38
Additive cost	224
Adjustment postings	149
Aggregation rule	360
Aggressive compression	51
Allocation	150, 170
<i>methods</i>	151
<i>PCA</i>	425
Allocation price	129
Allocation structure	200, 207
Analytical app	61

Assessment	157, 161, 167, 171, 426
<i>structure</i>	157
Asset	142
Asset accounting	414
<i>assign</i>	415
Asset master record	142
Asset valuation account	120
Assignment Monitor	423, 426
Automatic account assignment	120, 142
Automatic account determination	272
Automatic collective processing	207
Automatic planning	378
Availability control	204, 206, 207

B

Balance sheet account	118
<i>apply statistically</i>	120
Basic settlement	189
Bill of material (BOM)	220, 248, 272
<i>header</i>	248
<i>item category</i>	249
<i>item detail fields</i>	250
<i>items</i>	249
<i>selection process</i>	257
<i>usage</i>	248
Budget profile	204, 208
Budget tolerance	205
Budgeting	201, 204
Business area	100
Business process	232, 272
<i>rate</i>	233
<i>template</i>	232, 233, 274
Business transaction	138, 409, 427
<i>variant</i>	409, 427

C

C_ACT_2016	22
C_S4IMP_16	22
C_TS410_16	21
C_TS4CO_1809	22, 24
C_TS4FI_1610	22

Calculation base	195	Controlling by period (Cont.)	
CCS3	58	<i>final costing</i>	303
CDS view	439, 443	<i>logistics production order</i>	300
Central Finance	57	<i>order type</i>	290
Characteristic	358, 383	<i>order type for logistics</i>	294
<i>types</i>	358	<i>preliminary costing</i>	295
Characteristic derivation	366, 383	<i>simultaneous costing</i>	302
<i>steps</i>	367	<i>value flow</i>	305
<i>table lookup</i>	367	Controlling by sales order	288, 328, 334
Client	83, 102, 358	<i>final costing</i>	335
<i>architecture</i>	85	<i>preliminary costing</i>	334
Collective processing	130	<i>value flow</i>	340
<i>master data groups</i>	131	Controlling version	93, 104
<i>screen variant</i>	134	<i>define</i>	93
<i>selection variant</i>	133	<i>fiscal years</i>	94
<i>time-based</i>	130	Cost and revenue element	
Commitment management	194, 208	<i>accounting</i>	97, 102
Commitments	188, 192, 290, 340	Cost center	114, 115, 124, 161, 416
Company code	92, 100, 102, 171, 187	<i>asset accounting</i>	414
<i>profit centers</i>	399	<i>assets</i>	142
Condition type	341	<i>assign to hierarchy</i>	123
Contribution margin	354	<i>category</i>	124, 127, 161, 164, 170
<i>analysis</i>	381	<i>groups</i>	132
<i>formulas</i>	355	<i>hierarchies</i>	168
<i>user-created report</i>	381	<i>indicators</i>	126
Control key	252, 253, 272	<i>organizational assignments</i>	125
Controlling area	88, 102, 116, 123, 169	<i>receive postings</i>	126
<i>activate components settings</i>	91	<i>settings</i>	124
<i>assign company codes</i>	92	Cost center accounting	113
<i>basic settings</i>	89	<i>master data</i>	116
<i>controlling version</i>	93	Cost collector	98, 115, 176
<i>define</i>	89	Cost component	
<i>price details</i>	232	<i>account assignment</i>	231
Controlling by order	288, 305	<i>auxiliary structure</i>	230
<i>costing variant</i>	308	<i>details</i>	227
<i>default values</i>	307	<i>flow</i>	228
<i>final costing</i>	314	<i>main</i>	226
<i>order type</i>	306	<i>primary</i>	229
<i>order type for logistics</i>	310	<i>structure</i>	224, 272
<i>preliminary costing</i>	310	<i>views</i>	262
<i>settlement</i>	323	Cost component split	219
<i>simultaneous costing</i>	312	<i>main</i>	273
<i>value flow</i>	328	<i>primary</i>	274
<i>variance</i>	320	Cost element	116, 128, 141, 164
<i>WIP</i>	316	<i>category</i>	118, 122, 161, 169
Controlling by period	288, 289	<i>define</i>	116
<i>costing variant</i>	292	<i>derive</i>	228
<i>default values</i>	291	<i>determination</i>	228

Cost estimate	217, 223, 225, 246, 272	Costing value report	269
<i>alternative prices</i>	265	Costing variant	221, 223, 247, 273
<i>assign to valuation</i>	371	<i>assignments</i>	224
<i>cost component view</i>	262	<i>controlling by order</i>	308
<i>costing details</i>	259	<i>controlling by period</i>	292
<i>indented view</i>	260	<i>preliminary</i>	292
<i>itemization view</i>	260	<i>simultaneous</i>	294
<i>preliminary</i>	299	<i>tabs</i>	223
<i>release</i>	265	<i>transfer control</i>	272
<i>standard</i>	264, 287	Costing version	224
<i>unit</i>	274	Costing with quantity structure	219
<i>views</i>	219	Costing without quantity structure	218
<i>with quantity structure</i>	246, 247, 259, 273	Costing-based CO-PA	88, 356, 384
<i>without quantity structure</i>	234, 273	<i>operating concern</i>	364
Cost management	114	<i>planning</i>	378
Cost object	98, 102, 115, 141, 161, 287, 306	<i>reporting</i>	381
<i>period-end close</i>	150	<i>tables</i>	366
<i>profit centers</i>	406, 408	<i>value flow</i>	375
Cost object controlling	285, 287	Create Production Order app	300, 310
<i>functions</i>	287	Credit	222
<i>scenarios</i>	288	Credit key	195, 197
Cost of goods manufactured		Cross-client table	83
(COGM)	227, 259	Cross-company costing	224
Cost of goods sold (COGS)	227, 260	Cumulative Totals app	64
<i>profit centers</i>	421	Custom characteristic	358, 360, 366
<i>splitting profile</i>	373	Custom value field	360, 361
<i>view</i>	219	Customer invoice	192
Costing formula	254	Cycle	154, 171
Costing item	220, 228, 235, 273	Cycle segment allocation	151
Costing key	371, 372, 384	Cycle segment method	154, 161, 166,
Costing level	273	170, 425	
Costing run	265	<i>cumulative</i>	156
<i>analysis</i>	268	<i>iteration</i>	156
<i>cockpit</i>	267	<i>types</i>	157
<i>costing</i>	268		
<i>create</i>	267	D	
<i>error handling</i>	270		
<i>marking</i>	269	Date control	273
<i>processing</i>	268	Decoupling scenario	290
<i>release</i>	269	<i>trigger</i>	294
<i>selection</i>	268	Default account assignment	120
<i>selection list</i>	266	Dependency	196, 222
Costing sheet	151, 153, 221, 273	Depreciation processing	416
<i>calculation</i>	222	Derivation	427
<i>CO-PA</i>	370	Development (DEV) client	84
Costing structure	220	Digital platform	50
Costing type	225, 292	Digital transformation	49, 71
<i>product cost collector</i>	293	Direct activity allocation	158, 161

Discrete manufacturing	305
Distribution	157, 162, 171, 427
Distribution allocation	425
Distribution rule	197
Document	135
<i>create</i>	136
<i>define number ranges</i>	137
<i>types</i>	136, 142
Document splitting	408, 410, 427
<i>constant</i>	411
Document substitution	413
Drilldown reporting	442, 443
<i>features</i>	443
E	
eAcademy	30
Environment	233
Exam format	25
Exam scope	27
F	
Factsheet apps	61
FI account determination	
<i>variance settlement</i>	325
<i>WIP</i>	326
Field status	180
Field status group	122
Final costing	289, 341
<i>controlling by order</i>	314
<i>controlling by period</i>	303
<i>controlling by sales order</i>	335
Financial accounting (FI)	82, 114
<i>account assignment</i>	406
<i>adjustment posting</i>	150
<i>document number</i>	137, 139
<i>document reversal</i>	149
<i>integration</i>	80, 100
<i>locks</i>	160
<i>PCA</i>	405
<i>source of value fields</i>	375
Fiscal year variant	102
Fixed assets	427
Fixed characteristic	358
Fixed costs	165
Fixed portion	156
Flexible hierarchy	427
Forecasting	383
Formulas	220
Functional area	100, 427
G	
General ledger (G/L)	82
<i>account</i>	92, 117
<i>closing variant</i>	92
<i>manual posting</i>	192
<i>new</i>	136, 395
Graphical report structure	443
Group costing	301
Group valuation view	402
H	
Hierarchy	123, 169
<i>alternate</i>	124
HTML5	58, 77
Human capital management (HCM)	102
I	
Independent requirement	341
Indirect activity allocation	151, 158, 172
Inheritance	427
Input side variance	341
Intangible item	273
Integrated transactions	191
Integration	79, 99
Intelligent enterprise	49
Intelligent suite	50
Intelligent technologies	50
Internal allocation transaction	88
Internal order	175, 177, 208
<i>business transactions</i>	190
<i>categories</i>	177
<i>control</i>	188
<i>create</i>	185
<i>general data</i>	186
<i>master record</i>	185, 187
<i>number</i>	192
<i>organizational assignment</i>	186
<i>period-end close</i>	188, 194
<i>profit centers</i>	407

Internal order (Cont.)	
<i>status</i>	187
<i>types</i>	179
<i>vendor invoice</i>	192
Internal postings	142
International Financial Reporting Standards (IFRS) 8	399
Internet of Things	49
Inventory management (IM)	189
Investment order	177
Item category	220, 228, 409, 428
Itemization	220
J	
JavaScript	58
jQuery	58
K	
Key performance indicator (KPI)	440, 443
L	
Labor postings	419
Labor valuation	256
<i>formula</i>	256
Ledger group	143
Legal valuation view	402
Line item	192
<i>repost</i>	150
<i>without profitability segment</i>	374
List display	441
Logistics	101, 216, 247
<i>order type</i>	294
<i>production order master record</i>	294
Logistics Information System (LIS)	129, 426
M	
Maintain Product Cost Collectors app	296
Make-to-order (MTO)	328
<i>controlling scenarios</i>	329
<i>profit centers</i>	419
<i>with costing by SDI</i>	330
Make-to-stock (MTS)	419
Manage Flexible Hierarchies app	398

Manage Internal Orders app	185
Manual planning	378, 379
Market Segment app	381
Marking allowance	263
<i>activate</i>	263
Master data	
<i>asset</i>	414
<i>CO-PA</i>	366
<i>cost center accounting</i>	114, 116
<i>groups</i>	123, 131, 169
<i>logistics</i>	216, 247
<i>PCA</i>	396
<i>profit centers</i>	398
Master recipe	255
Material ledger	240, 264, 401
Material master	235, 246, 416
<i>accounting</i>	240, 241
<i>basic data</i>	235
<i>costing 1</i>	242
<i>costing 2</i>	243
<i>MRP 1</i>	236
<i>MRP 2</i>	237, 271
<i>MRP 4</i>	239
Material stock account	120
Materials management (MM)	228, 264
<i>PCA</i>	416
<i>profit centers</i>	416
Modifiable item	220
Multidimensional report	440
Multilevel cost estimate	245
Multiple-choice example	35
Multi-valuation	404
N	
Non-operating account	118
Non-operating cost	170
Number range	137, 318
<i>CO</i>	138
<i>external</i>	137
<i>internal</i>	137
<i>SAP</i>	139
O	
Online analytical processing (OLAP)	72, 76, 440, 443

Online transaction processing (OLTP) 72, 76, 440, 444
 openSAP 45
 OpenUI5 58
 Operating chart of accounts 90, 103, 116
 Operating concern 86, 103, 357, 362, 384
 assign 88
 attributes 364
 data structure 363
 define 86, 362
 environment 364
 maintain 87
 tables 365
 Operation 251, 252, 273
 Order group 190, 208
 Order lifecycle 181
 Order type 179, 208, 290, 306, 341
 configure 180
 control functions 179
 controlling by order 306
 logistics 294
 Orders with revenue 178
 Order-to-cash 421
 value flow 422
 Organizational assignment 79
 Organizational structure 80, 103
 Organizational units 82
 FI 100
 Output variance 320, 341
 Overall planning 202
 Overdue Payables app 61
 Overhead 222
 Overhead amount 195
 Overhead controlling 82
 Overhead cost accounting 97
 Overhead cost controlling 103
 Overhead costing sheet 195, 196, 208
 Overhead costs 88, 315
 calculate 195
 Overhead management (CO-OM) 176
 source of value fields 375
 Overhead order 177

P

P_S4FIN_1809 22
 P&L accounts 116
 PA transfer structure ... 201, 326, 341, 376, 384
 FI 377
 production order settlement 377
 Parallel currency 401
 Parallel single-valuation 404
 Parallel valuation 401
 Parameter set 379
 Passive splitting 408
 Percentage method 152, 166
 Percentage of completion (POC) 338
 Period lock 159
 Period reposting 151
 Period-end close
 allocate costs 150
 cost center accounting 150
 final costing 303
 internal orders 194
 PCA 423
 Period-to-end processing 289
 Periodic costing 315
 Periodic reposting 154, 157, 162
 Plan 103
 Planned order 289
 Planning 201, 377
 layout 378
 level 379
 levels 202
 method 379
 package 379
 Planning level 208
 Planning profile 202, 208
 Planning version 203
 Plant 101
 costing by order type 292, 307
 Point of valuation 370, 384
 Predefined characteristic 358
 Predefined value field 360
 Prediction ledger 383, 384
 Predictive accounting 383
 Preliminary costing 288, 308, 341
 controlling by order 310
 controlling by period 295
 controlling by sales order 334

Prerequisite 428
 Price calculation 95
 Price control 264
 Price determination 240
 Price unit 128, 241
 Prima nota 141, 162, 426
 Primary cost element ... 117, 142, 151, 162, 229
 profit centers 405
 Primary costs 88
 Primary postings 135
 account assignment 143
 other applications 142
 rules 141
 within CO 142
 Process manufacturing 255, 306
 Procure-to-pay (P2P) 101, 418
 Product cost collector 290, 292, 341
 calculate variances and WIP 303
 create 296
 data default values 297
 header 297
 header default values 298
 itemization 299
 maintain 296
 master records 296
 production process 298
 simultaneous costing 302
 Product cost controlling 97, 103
 by order 305
 by period 289
 sales order scenarios 328
 source of value fields 375
 Product cost planning 215
 basics 219
 configure 223
 methods 218
 Product lifecycle costing 218
 Production (PROD) client 84
 Production order 300, 306, 341, 419
 control 301, 311
 costing variant 309
 create 300
 default values 311
 preliminary cost 311
 status indicator 301
 Production planning 419

Production version 256, 274
 Profit and loss (P&L) 97
 Profit calculation 337
 Profit center 96, 100, 103, 126, 141, 394, 395, 428
 accounts 400
 allocations 425
 assignment 406
 company codes 399
 constant 411
 default 411
 derive 405, 422
 distributions 424
 dummy 410
 hierarchy 396
 master data 396, 398
 settings 398
 statistical key figures 400
 substitution 413
 Profit center accounting (PCA) 98, 126, 393, 395
 asset accounting 414
 classic 395, 408, 410
 EC-PCA 395
 FI integration 405
 FI posting 405
 master data 396
 MM integration 416
 period-end close 423
 SD integration 420
 transfer pricing 402
 Profit center valuation view 402
 Profitability analysis (CO-PA) 86, 98, 353
 enhancements 373
 master data 366
 organizational structures 357, 365
 planning 377
 reporting 381
 Universal Journal 373
 Profitability and sales accounting 98, 103
 Profitability segment 366
 items without 374
 Project systems (PS) 91, 121
 source of value fields 375
 Purchasing 418
 Purchasing organization 101

Q

Quality (QUAL) client	84
Quantity structure	217, 224, 246, 247
<i>control</i>	274
<i>determine</i>	256
<i>sources</i>	247
Query Browser	440

R

RA key	292, 307, 342
Real assignment object	395
Real cost object	141, 162
Real postings	141
Real-time replication	136
Reconciliation	121
Record type	370, 384
Reference variant	226
Referenced characteristic	358
Remote function call (RFC)	86
Repetitive manufacturing	289
Report Painter	441, 444
<i>features</i>	441
Reporting	381, 437
<i>drill down</i>	442
<i>SAP S/4HANA</i>	439
<i>structure</i>	444
<i>what you see is what you get</i> (<i>WYSIWYG</i>)	441
Reposting	162, 170
Requirements class	332, 342
Requirements type	331, 342
Results analysis	289, 336, 337, 342
<i>calculate</i>	338
<i>methods</i>	338
<i>version</i>	342
Revaluation at actual prices	303, 314, 335
Reverse and rebook	165
Routing	251, 274
<i>header</i>	251
<i>operation</i>	252
<i>selection process</i>	258
Rule derivation	368

S

Sailor report	441
Sales and distribution (SD)	192
<i>PCA</i>	420
<i>source of value fields</i>	375
Sales order item (SDI)	328, 329
<i>requirements type</i>	331
<i>settle</i>	339
Sales order management	331
Sales order stock	335, 342
Sales organization	101
Sandbox	85
SAP Analysis for Microsoft Office	204, 440, 444
SAP Ariba	54
SAP Best Practices	40
SAP Business Planning and Consolidation (SAP BPC)	378
SAP Business Warehouse (SAP BW)	204, 440
SAP Cloud Platform	50, 69
SAP Community	45
SAP Concur	54
SAP Customer Experience	54
SAP document principle	135
SAP Education courses	28
SAP ERP	
<i>controlling documents</i>	136
<i>CO-PA</i>	356
<i>material valuation</i>	241
SAP Fieldglass	54
SAP Fiori	48, 58, 70, 73, 77
<i>analytical apps</i>	440
<i>app customization</i>	64
<i>browser</i>	64
<i>for SAP S/4HANA</i>	59, 70
<i>themes</i>	65
<i>tiles</i>	63
<i>user experience</i>	58
<i>user interface</i>	48, 58
SAP Fiori apps reference library	43
SAP Fiori launchpad	48, 59, 63, 70, 77
<i>designer</i>	66, 68, 70
SAP Gateway	57, 70
<i>server</i>	67
SAP GUI	57

SAP HANA	48, 51, 74, 218, 440
<i>architecture</i>	51
<i>columnar store</i>	52, 69, 73
<i>compression</i>	51
<i>database</i>	71
<i>in-memory database</i>	51, 69
SAP Help Portal	41
SAP Learning Hub	31
SAP Learning Room	31
SAP Leonardo	50, 69, 75
SAP Live Access	30, 32
SAP Logon	58
SAP Lumira	440, 444
SAP S/4HANA	48, 53, 69, 72, 76
<i>backend server</i>	57
<i>controlling documents</i>	136
<i>CO-PA</i>	357
<i>cost elements</i>	92
<i>costing sheets</i>	196
<i>deployment</i>	55
<i>PCA</i>	396, 411
<i>planning</i>	204
<i>reporting tools</i>	439
<i>system landscape</i>	57
<i>tables</i>	365
SAP S/4HANA adoption	56
<i>landscape transformation</i>	57
<i>new implementation</i>	56
<i>system conversion</i>	57
SAP S/4HANA Cloud	55
SAP Smart Business	440
SAP SuccessFactors	54
SAP User Assistance	58
SAPUI5	42
Screen variant	134, 162
Secondary cost element	117, 121, 151, 157, 162
<i>posting</i>	138
Segment	100, 155, 171, 398, 416, 425, 428
<i>constant</i>	411
<i>define rules</i>	156
<i>derive</i>	405
<i>reporting</i>	414
Selection list	266
Selection variant	133, 162
Settlement	177, 197, 208, 289, 336
<i>controlling by order</i>	323

Settlement (Cont.)	
<i>cost center</i>	170
<i>extended</i>	197
<i>external</i>	200
<i>internal</i>	200
<i>order balance</i>	327
<i>simple</i>	197
Settlement profile	197, 199, 208, 342
<i>production orders</i>	323, 324
<i>structure types</i>	200
Settlement rule	197, 342
Settlement type	342
Shop floor reporting	302
Simultaneous costing	289, 342
<i>consumption</i>	313
<i>controlling by order</i>	312
<i>controlling by period</i>	302
<i>controlling by sales order</i>	334
<i>goods receipt</i>	314
<i>order balance</i>	314
Single-level cost estimate	245
Singular processing	130
Source structure	201, 208
Special item	220
Special procurement key	274
Splitting characteristic	428
Splitting method	409
Splitting profile	325, 326, 373, 384
<i>COGS</i>	373
<i>price difference</i>	374
Splitting rule	409, 427
Splitting structure	373
SQL statement	266
Standard hierarchy	123, 131, 162, 164, 167, 396
<i>structure</i>	396
Statistical cost object	141, 163
Statistical key figure	129, 163, 202
<i>allocation</i>	154
<i>portions</i>	426
<i>profit centers</i>	400
Statistical object	428
Statistical postings	141
Status data group	190
Status management	181
Status profile	181

Strategic business unit 359
 rule 368
 Strategy 366
 Substitution 144, 169, 428
 Substitution rule 420
 Suffix 132
 Supplier Invoice Search app 61
 System status indicator 181

T

Table
 ACDOCA 136, 140, 357, 365, 439
 BESG 365
 CE1xxxx 366
 CE2xxxx 366
 CE3xxxx 366
 CE4xxxx 366
 COEJ 365
 COEP 365
 OKB9 143
 Tangible item 274
 Target = actual method 154, 171
 Target cost 342
 Target cost version 322, 343
 Template allocation 303, 314, 335
 Tips 33, 37
 Top-down distribution 378, 380, 384
 process 380
 Tracing factor 154, 156, 163, 426
 Transaction
 CKUC 245
 CO01 300, 310
 CO03 302, 312
 COOIS 302, 312
 KEPM 379, 380
 KESI 360
 KKBC_ORD 312
 KKBC_PKO 302
 KKF6M 296
 KKF6N 296
 KOO1 185
 KOO4 185
 KOH1 190
 KOK4 190
 OB52 160
 OKB9 164, 169, 406

Transaction (Cont.)
 OKG3 315, 336
 OKG4 319
 OKG5 319
 OKG8 319, 326
 OKG9 318
 OKGD 303
 OKO7 324
 OKP1 159
 OKV1 321
 OKV6 323
 OKVG 322, 333
 OKZ3 291, 308
 OMWB 325
 OPL8 295
 OPPS 332
 OVZ1 332
 OVZH 332
 PRD 325
 SCC4 83
 SE11 383
 WERK_ZID 318
 Transaction control indicator 184
 Transactional app 61
 Transfer control 226, 271
 Transfer pricing 401
 activate 403
 define 402
 Transfer structure 274

U

UI theme designer 65
 Unit costing 202, 244, 334
 Universal Journal 116, 136, 138, 141,
 142, 357, 365, 374, 381, 384, 388, 396, 419,
 434, 439
 posting 138
 transfer pricing 404
 Unvaluated stock 330
 Upcharge 402
 Update prices 262
 US Generally Accepted Accounting
 Principles (US GAAP) 399
 User status profile 183, 190, 208

V

Validation 144, 169
 Validity period 130
 Valuated stock 330
 Valuation 366, 369, 385
 assign strategy 371
 user-defined 370
 Valuation variant 221, 225, 274, 303
 requirements class 334
 Value field 356, 358, 360, 372, 385
 aggregation rules 360
 Variable costs 165
 Variable portion 156
 Variance
 calculate 305
 categories 320
 category 343
 configure 320
 Variance calculation 315
 controlling by order 320
 Variance key 320, 343
 Variance variant 343

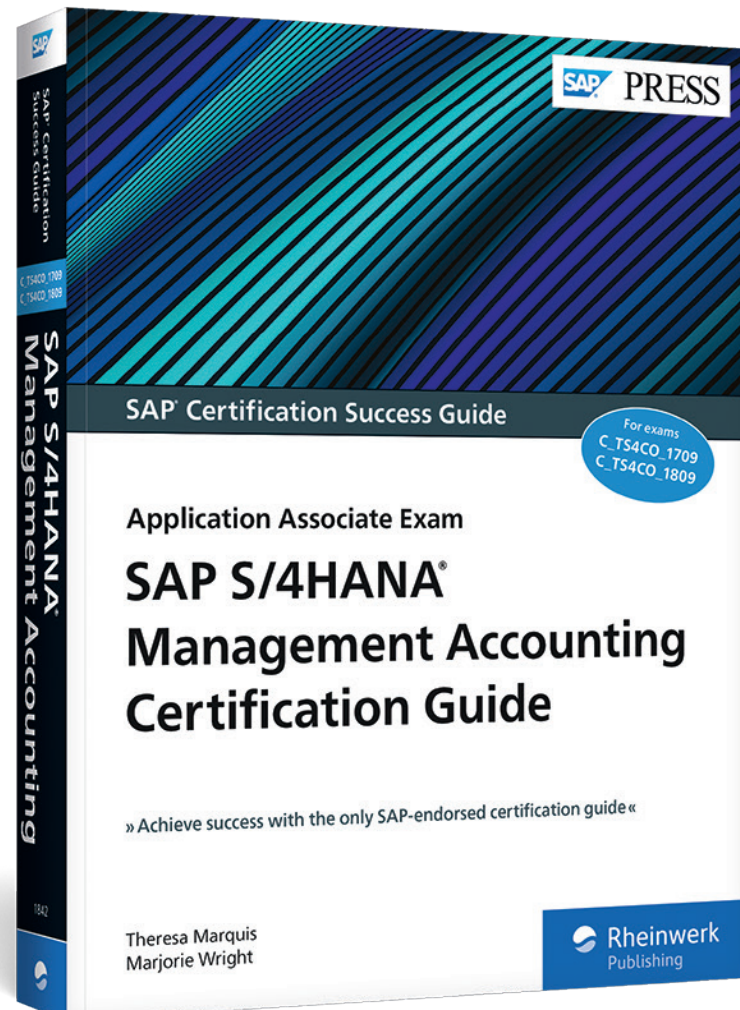
Vendor invoice 192
 Version 0 93, 322, 337
 Virtual Live Classroom 30

W

Work breakdown structure (WBS) 416
 Work center 253, 275
 costing 254
 Work in process (WIP) 289, 343
 at target 304
 calculation 315
 configure 316
 controlling by order 316
 definitions 318
 FI account determination 326
 product cost collector 304
 valuation methods 317

Z

Zero balance splitting 408



Theresa Marquis, Marjorie Wright

SAP S/4HANA Management Accounting Certification Guide

461 pages, 2019, 2019, \$79.95

ISBN 978-1-4932-1842-4

 www.sap-press.com/4886



Theresa Marquis is a principal education consultant for SAP, where she focuses on the Controlling and Project System components. She has contributed to multiple SAP certification exams and facilitated the corresponding updates to SAP Education training books. As an education consultant, she works with companies to perform learning needs analysis to design tailored training plans for their employees. Terri hosts the Learning Room page for Project System certifications.



Marjorie Wright is the founder of Simply FI-CO, LLC, a boutique SAP training consulting company. She is an accomplished subject matter expert in SAP ERP business process and customizing, and a highly respected education consultant for the Financial Accounting, Management Accounting, and Financial Supply Chain Management components. With more than 25 years of training and accounting experience across multiple industries including financial services, manufacturing, technology, utilities, telecommunications, and healthcare, she has conducted training for over 3,500 learners in traditional face-to-face classrooms and web-based, or virtual, meeting rooms.

We hope you have enjoyed this reading sample. You may recommend or pass it on to others, but only in its entirety, including all pages. This reading sample and all its parts are protected by copyright law. All usage and exploitation rights are reserved by the author and the publisher.