Controlling –
Cost Center Accounting (CO-CCA)

This case study explains an integrated cost center accounting process in detail and thus fosters a thorough understanding of each process step and underlying SAP functionality.

Product
S/4HANA 2020
Global Bike

Fiori 3.0

Level
Undergraduate
Graduate
Beginner

Focus
Controlling
Cost Center Accounting

Author
Michael Boldau
Stefan Weidner

Version
4.1

Last Update
June 2022

MOTIVATION

The data entry requirements in the controlling exercises were minimized because much of the data was stored in the SAP system. This stored data, known as master data, simplifies the processing of business transactions.

In this case study, costs of Global Bike's cafeteria are assessed and allocated to organizational units that use its services.

In order to allocate costs, cost centers will be created and output costs will be planned.

PREREQUISITES

Before you use this case study, you should be familiar with navigation in the SAP system.

In order to successfully work through this case study, it is not necessary to have finished the CO exercises. However, it is recommended.

NOTES

This case study uses the Global Bike data set, which has exclusively been created for SAP UA global curricula.

Process Overview

Learning Objective Understand and perform a cost center accounting process.

Time 105 min

Scenario During this case study, you will take on different roles within the Global Bike company, e.g. cost accountant or chief accountant. You will be working in the Controlling (CO) department.

Employees involved

Jamie Shamblin (Controller)
Shuyuan Chen (Head of Accounting)

There are two options to allocate overhead costs: assessment and distribution. Companies might use one or both types.

In this case study, you will use cost center accounting (CO-CCA) to assess costs associated with the cafeteria to two other cost centers (Maintenance and Assembly) plus itself. Since we do not have "actual" costs yet, the assessment will be based on "planned" costs. To assess costs associated with the cafeteria cost center, cost elements are created. You will then plan the primary costs and statistical key figure (i.e. number of employees in each cost center) that will be used to assess the costs. To make the assessment process simpler, you will create a cost center group consisting of these three cost centers that will receive the cafeteria cost assessment. After reviewing your planning, you will create and execute an assessment cycle and display its results.
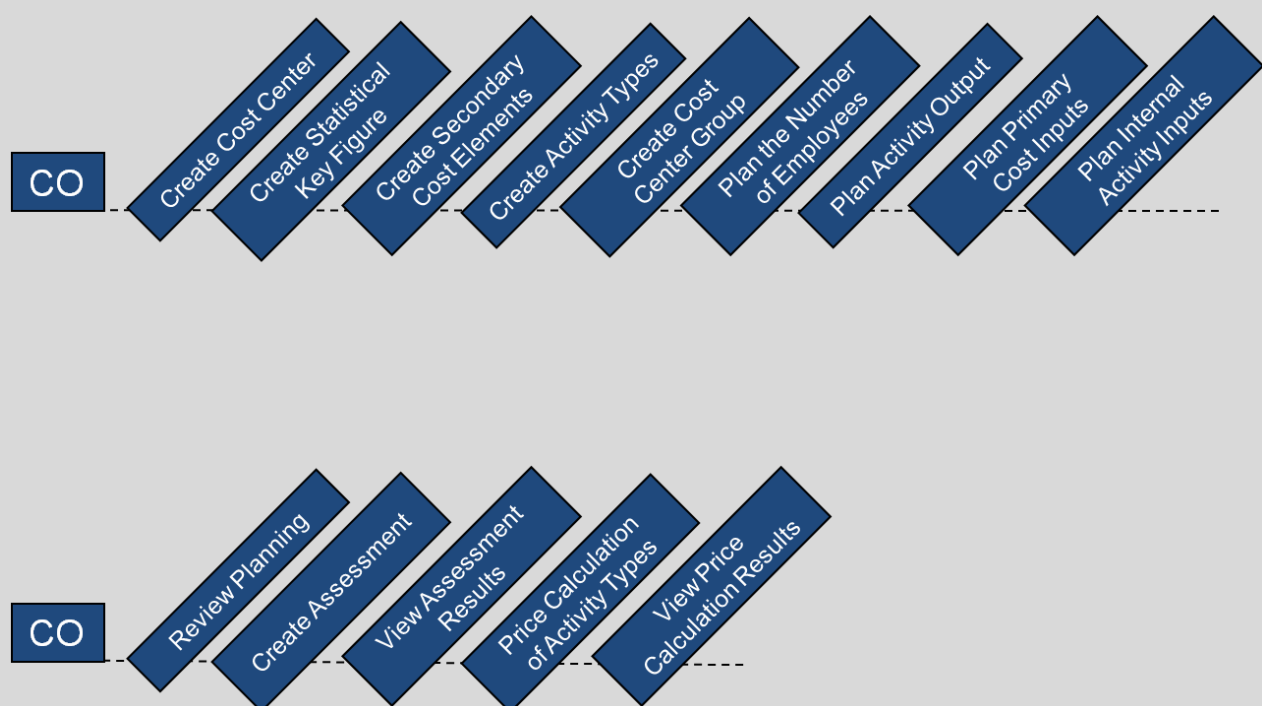
Table of Contents

Step 1: Create Cost Center

Task Create three cost centers.	**Time** 10 min
Short Description Use the SAP Fiori launchpad to create cost center for cafeteria, maintenance and assembly.	
Name (Position) Jamie Shamblin (Controller)	

A *cost center* represents an organizational unit within a controlling area and specifies a uniquely definable instance where costs are incurred. This definition can be based on functions, settlement-specific, geography, or cost responsibility.
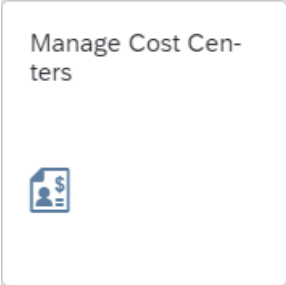
Cost center

In SAP S/4HANA, a *controlling area* is an organizational unit within a company, used to represent a closed system for cost accounting. It may include single or multiple company codes using different currencies. These company codes must use the same operative chart of accounts. All internal allocations refer exclusively to objects in the same controlling area.

Controlling area

To create a new cost center, in the *Controlling* area use the app *Manage Cost Centers*.

Start

> Manage Cost Centers
>
> 📇

In the upper right, click the button Create .

On the following screen, as *Controlling Area* enter **NA00** and as *Cost Center* enter **CAFE1###** (replace ### with your number, e.g. 012). The cost center should be *valid from* **01/01 of the current fiscal year**.

NA00
CAFE1###
01/01 of current year

In the field *Name*, enter **Cafeteria ###** and as *Description* type in **Cafeteria**. As the *Person Responsible*, enter **your name**. Select the *cost center category* **H** (*Service cost center*).

Cafeteria ###
Cafeteria
your name
H

CAFE1000

Cafeteria 000

General Information   Organizational Units   Control ⌄   Address   Communica ❯ ⌄

Controlling Area: *	User Responsible:
NA00 (Global Bike North America)	
Cost Center: *	Person Responsible: *
CAFE1000	Tim Böttcher
Name: *	Department:
Cafeteria 000	
Description: *	Cost Center Category: *
Cafeteria	H (Service cost center)
Valid From: *	Created On:
01/01/2022	06/24/2022
Valid To: *	Created By:
12/31/9999	LEARN-400

Assign your new cost center to *Standard Hierarchy Node* **N1200** (*Internal Services*). In addition, choose *Company Code* **US00** (*Global Bike Inc.*), *Business Area* **BI00** (*Bikes*) and *Currency* **USD**.

N1200
US00
BI00
USD

Compare your entries with the screen shown below.

Organizational Units

Standard Hierarchy Node: *	Currency: *
N1200	USD (United States Dollar)
Company Code: *	Profit Center:
US00 (Global Bike Inc.)	
Business Area:	Functional Area:
BI00 (Bikes)	

In the lower-right corner, click **Create** to save your cost center.

In the top-left corner, click on ❮ to go back one screen. Repeat the process to create a maintenance cost center. Use the following data:

Cost Center:	*MAIN1###*
Valid from:	*01/01 of the current fiscal year*
Name:	*Maintenance ###*
Description:	*Production Maintenance Department*

MAIN1###
01/01 of current year
Maintenance ###
Production Maintenance
Department
your name
H
N4300
US00
BI00

Person responsible:	*Your name*	
Cost center category:	*H*	
Hierarchy area:	*N4300*	
Company Code:	*US00*	
Business area:	*BI00*	
Currency:	*USD*	USD

In the lower-right corner, click **Create** to save your cost center.

In the top-left corner, click on ❮ to go back one screen. Repeat the process to create an assembly cost center. Use the following data.

Cost Center:	*ASSY1###*	ASSY1###
Valid from:	*01/01 of the current fiscal year*	01/01 of current year
Name:	*Assembly ###*	Assembly ###
Description:	*Production Assembly Department*	Production Assembly Department
Person responsible:	*Your name*	your name
Cost center category:	*F*	F
Hierarchy area:	*N4200*	N4200
Company Code:	*US00*	US00
Business area:	*BI00*	BI00
Currency:	*USD*	USD

Click **Create** again to save your cost center.

Click on **SAP** to return to the SAP Fiori launchpad.

Step 2: Create Statistical Key Figure

Task Create a new statistical key figure.	**Time** 5 min

Short Description Create a statistical key figure for the number of employees (per department).

Name (Position) Jamie Shamblin (Cost Accountant)

Because the cafeteria costs are assessed for three cost centers (including itself), the number of employees in the cost centers was chosen to be the allocation base for cost assessment. You need to create a *statistical key figure* for that.

Statistical key figure

To create a new statistical key figure, in the *Controlling* area use the *Manage Statistical Key Figures* app.

Start

Manage Statistical
Key Figures

In the upper right, click the button Create .

In the screen that opens, in the field *Statistical Key Figure* enter **EMP###** (replace ### with your three-digit number), as *Name* **Number of employees**, as *Quantity Unit* choose **PRS** (Number of Persons) and as *Category* select **1** (*Fixed values*).

EMP###
Number of employees
PRS
1

EMP000

Number of Employees

Copy ⬈ ⤢ ✕ ⋯

General Information   Translation

Statistical Key Figure: *

EMP000   ⊡

Statistical Key Figure Name: *

Number of Employees

Controlling Area: *

NA00   ⊡

Quantity Unit: *

PRS   ⊡

Category:

⦿ 1 (Fixed Values)

◯ 2 (Totals Values)

Compare your screen with the screenshot above and click Create.

Click on SAP to return to the SAP Fiori launchpad.

☐

Step 3: Create Secondary Cost Elements

Task Create secondary cost elements.	**Time** 5 min

Short Description Create secondary cost elements to later assess cafeteria, assembly and maintenance costs.

Name (Position) Jamie Shamblin (Cost Accountant)

In SAP S/4HANA, *cost elements* classify an organization's valuated consumption of factors of production within a controlling area. They provide information concerning the value flow and the value consumption within the organization. A cost element corresponds to a cost-relevant item in the chart of accounts.

In contrast to primary cost elements, *secondary cost elements* are G/L accounts of the G/L account type Secondary Costs. They represent costs resulting from value flows within the organization such as internal activity cost allocation, overhead allocation, and settlements transactions.

To create a new secondary cost element, in the *Controlling* area use the app *Manage G/L Account Master Data*.

Manage G/L
Account Master
Data
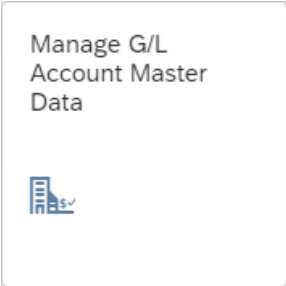
In the upper right, click the button Create .

In the field *G/L Account*, enter **803###1** (again, replace ### with your three-digit number) and as *Chart of Accounts* **GL00**. In the pull-down menu *G/L Account Type*, select **Secondary Costs**. For the *Account Group*, choose **08** (*Secondary Costs*).

Note Secondary costs are costs incurred through in-house exchange of services, for example repair costs that the company carries out itself.

For both *Short Text* and G*/L Acct Long Text*, type in **Plan Asm. CAFE1###**.

Margin notes:

Cost element

Secondary cost elements

Start

803###1
GL00
Secondary Costs
08

Plan Asm CAFE1###
Plan Asm CAFE1###

Basic Information

Control			Description in Maintenance Lang. (EN)	
Chart of Accounts:*	GL00		Short Text:*	Plan Asm. CAFE1000
G/L Account Type:*	Secondary Costs		G/L Account Long Text:	Plan Asm. CAFE1000
Account Group:*	08			
P&L Statement Account Type:	–			
Functional Area:				

On the *Company Code Data* tab, assign your new secondary cost element to your company code. To do so, in the Company Code Assignment area click on Create.

In the field *New Company Code Assignment*, type in or select **US00** (Global Bike Inc.).

US00

On the *CREATE/BANK/INTEREST* tab, as *Field Status Group* enter **ZSEC** (*Secondary Cost Elements*).

ZSEC

In the bottom-right corner, click on OK to add the Company Code data to your secondary cost element.

Note Your company code assignment sometimes does not show up right away. Please check if the assignment is shown after saving your cost element.

Choose the *Controlling Data* tab and on the right click on Generate.

In the second column (*Cost Element Category*), select **42** (Assessment).

42

Settings in Controlling Area (1)

Controlling Area	Cost Element Category
NA00	42

Confirm your entries with Save.

In the top-left corner, click on ‹ to go back one screen. Repeat the process for the maintenance allocation secondary cost element with the following data:

G/L Account:	**803###2**
Chart of Accounts:	**GL00**
G/L Account Type:	**Secondary Costs**
Account Group:	**08**
Short Text and G/L Acct Long Text:	**Allocation MAIN1###**
Company Code:	**US00**
Account Currency:	**USD**

803###2
GL00
Secondary Costs
08
Allocation MAIN1###
US00
USD
ZSEC
43

|	
Field Status Group	**ZSEC**
Cost. Elem. Cat.:	**43**

Check your entries and again and then click Save .

In the top-left corner, click on < to go back one screen. Repeat the process for the assembly allocation secondary cost element using the following data:

G/L Account:	**803###3**
Chart of Accounts:	**GL00**
G/L Account Type:	**Secondary Costs**
Account Group:	**08**
Short Text ant G/L Acct Long Text:	**Allocation ASSY1###**
Company Code:	**US00**
Account Currency:	**USD**
Field Status Group	**ZSEC**
Cost. Elem. Cat.:	**43**

Now, click Save .

Click on SAP to return to the SAP Fiori launchpad.

803###3
GL00
Secondary Costs
08
Allocation ASSY1###
US00
USD
ZSEC
43

Step 4: Create Activity Types

Task Create activity types.	**Time** 10 min
Short Description Create activity types, which are used to allocate costs for maintenance and assembly activities.	
Name (Position) Jamie Shamblin (Cost Accountant)	

Activity types are organizational units within the controlling area that classify the activities performed by a cost center. As units of measure, they are used to allocate internal activities.

Activity Type

To create a new activity type, in the *Controlling* area use the *Manage Activity Type* app.

Start

Manage Activity Types

In the upper right, click the button Create .

If the *Controlling Area* field is not filled, enter or select **NA00**.

NA00

As *Activity Type*, enter **M###** (replace ### with your assigned number). The type should be valid from **01/01 of the current fiscal year**. As *Name*, enter **Maint. Hours ###**. As *Activity Unit*, select **H** (*Hour*). In the *Cost Center Catgories* field, use the value help symbol to choose * (*All Categories*).

M###
01/01 of current year
Maint. Hours ###
H
*

On the *Allocation* tab, in the *Activity Type Category* pull-down, choose **1** (*Manual entry, manual allocation*) and assign it to your new maintenance *Allocation Cost Element* (**803###2**). Ensure that the *Price Indicator* field is left blank. Compare to the following screenshot.

In the lower-right corner, click Create to save your activity type.

In the top-left corner, click on ◁ to go back one screen. Repeat the process to create the activity type for the assembly cost center. Use the following data.

Activity Type:	**A###**
Valid From:	**01/01 of current fiscal year**
Name:	**Assembly Hours ###**
Activity Unit:	**H**
Cost Center Categories:	*****
Activity Type Category:	**1**

Allocation Cost Element: **803###3**

Now, click Create to save your activity type.

Click on SAP to return to the SAP Fiori launchpad.

☐

Step 5: Create Cost Center Group

Task Create a cost center group.	**Time** 10 min
Short Description Create a cost center group comprising of all receiver cost centers of cafeteria costs. These are the cafeteria as well as the maintenance and the assembly cost center you created before.	
Name (Position) Jamie Shamblin (Cost Accountant)	

Cost centers can be grouped together to form *cost center groups*. You can use these groups to form cost center hierarchies that summarize the areas for decision-making, responsibility, and control according to specific company needs.

Cost center group

To create a new cost center group, in the *Controlling* area use the app *Manage Cost Center Groups*.

Start

Manage Cost Cen-
ter Groups
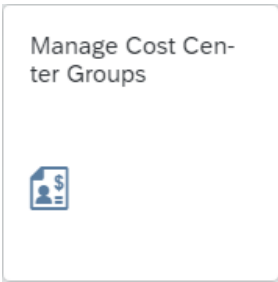
In the upper left, click on New.

If the *Controlling Area* field is not filled, enter **NA00**. The new *Cost Center Group* is named **GROUP1###** (replace ### with your assigned number). Compare your entries with the screenshot below and click Continue.

NA00
GROUP1###

New Cost Center Group

* Controlling Area: NA00 — Global Bike North Ameri...
* Cost Center Group: GROUP1000

In the *Name* column of your GROUP1### line item, enter **Cafeteria cost receivers**.

Cafeteria cost receivers

Preview on Key Date: 09/07/2021

Levels ⌄	New ⌄	Add ⌄	Edit ⌄	⌄	⌃	Set Previe

☑ Cost Center Group/Cost Center	Name
☑ GROUP1000	Cafeteria cost receivers

Then, click on Add ∨ and select *Add Cost Center*.

Preview on Key Date: 09/07/2021

| Levels ∨ | New ∨ | Add ∨ | Edit ∨ | ∨ | ^ |

Add Sibling Group
☑ Cost Center Group
☑ 🔒 GROUP100   Add Child Group
☐   **Add Cost Center**
☐   Add Cost Center Range

In the *Search: Cost Centers* popup, in the field *Cost Center Name* enter ***###***.
Replace ### with your three-digit number and do not forget the * right before
your ID, so for example *015 if your number is 015. Then, click Go .

*###

The system should display the three cost centers you created earlier.

Cost Center:	Cost Center Name:	Person Responsible:
	*000 ×	

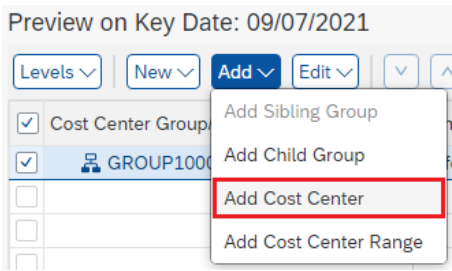|	Cost Center	Description	Controlling Area	Company Code	Category	Person Responsible	User Responsible
☐	ASSY1000	Assembly 000	NA00	US00	F	Tim Böttcher	
☐	CAFE1000	Cafeteria 000	NA00	US00	H	Tim Böttcher	
☐	MAIN1000	Maintenance 000	NA00	US00	H	Tim Böttcher	

Check all three and click OK .

☑	Cost Center	Description	Controlling Area
☑	ASSY1000	Assembly 000	NA00
☑	CAFE1000	Cafeteria 000	NA00
☑	MAIN1000	Maintenance 000	NA00

Your three cost centers should now have been added to your cost center group
GROUP1###.

Preview on Key Date: 06/25/2022

| Levels ∨ | New ∨ | Add ∨ | Edit ∨ | ∨ | ^ | Set Preview Pe |

☐	Cost Center Group/Cost Center	Name
☐	∨ 🔒 GROUP1000	Cafeteria cost receiv…
☐	ASSY1000	Assembly 000
☐	CAFE1000	Cafeteria 000
☐	MAIN1000	Maintenance 000

In the upper-left corner, click the button Save .

Click on SAP to return to the SAP Fiori launchpad.

Step 6: Plan Number of Employees

Task Plan statistical key figure values.	**Time** 5 min

Short Description Plan the number of employees working in the organizational units associated with the previously created cost centers.

Name (Position) Shuyuan Chen (Head of Accounting)

To plan statistical key figure values, in the *Controlling* area use the *Change Statistical Key Figure Planning* app.

<div align="right">Start</div>

> Change Statistical
> Key Figure Planning

A new web browser tab opens with the standard layout (*1-301*) for statistical key figure planning.

Enter *Version* **0**, *From Period* **1** and *To Period* **12**. As *Fiscal Year*, enter the **current year**. In the field *Cost Center*, enter **ASSY1###** an as *Stat. key figure*, type in **EMP###**.

Compare your entries with the screen shown below.

<div align="right">0
1
12
current year
ASSY1###
EMP###</div>

Layout:	1 - 301	Statistical Key Figures: Standard
Variables		
Version:	0	Plan/Act - Version
From Period:	1	January
To Period:	12	December
Fiscal year:	2022	
Cost Center:	ASSY1000	Production Assembly Department
to:		
or group:		
Stat. key figure:	EMP000	Number of Employees
to:		
or group:		

At the bottom of the screen in the *Entry* area, choose **Form-Based**. Then, click **Overview Screen**.

<div align="right">Form-Based</div>

In the Current Plan Value column, enter **15** and click [Post].

The system displays a success message.

⊘ Changed data has been posted View Details

Repeat the same process for cost center **MAIN1###** and enter **5** as current plan value.

Finally, repeat the process once again for cost center **CAFE1###** and plan **5** employees.

Click on [SAP] to return to the SAP Fiori launchpad.

Confirm any browser warning messages for unsaved data with [Ok].

15

MAIN1###
5

CAFE1###
5

Step 7: Plan Activity Output

Task Plan activity output.	**Time** 5 min
Short Description Plan the activity output of the maintenance and assembly.	
Name (Position) Shuyuan Chen (Head of Accounting)	

To plan activity output, in the *Controlling* area use the *Edit Prices for Activity Types – Cost Centers* app.

<div align="right">Start</div>

Edit Prices for Activity Types
Cost Centers
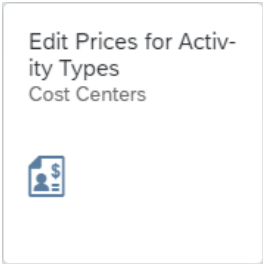
If asked, enter **NA00** as *Controlling Area* and confirm with *Continue*.

<div align="right">NA00</div>

Set Controlling Area ✕

* Controlling Area: NA00

Continue   Save as User Parameters   Cancel

The layout *Activity types with Prices: Standard* (*1-201*) appears.

Fill the fields *Version*, *Periods* and *Fiscal Year* with the same values as in the previous step, if they are not already populated.

<div align="right">0
1
12
current year</div>

As *Cost Center*, enter **MAIN1###** and as *Activity Type* **M###**. Leave all other fields blank. Then, click Overview Screen.

<div align="right">MAIN1###
M###</div>

Layout:	1-201		Activity Types with Prices: Standard

Variables

Version:	0		Plan/Act - Version
From Period:	1		January
To Period:	12		December
Fiscal year:	2022		
Cost Center:	MAIN1000		Cafeteria
to:			
or group:			
Activity Type:	M000		
to:			
or group:			

In the *Plan Activity* column, enter **1800** hours. Click **Post**.

1800

	Activit...	Plan Activity	Dist...	Capacity	Dist...	Unit
☐	M000	1800	2		2	H

Repeat the process for *Cost Center* **ASSY1###** and *Activity Type* **A###** with a *Plan Activity* of **6000** hours.

ASSY1###
A###
6000

⊘ Changed data has been posted View Details

Click on **SAP** to return to the SAP Fiori launchpad.

Confirm any browser warning messages for unsaved data with **Ok** .

☐

■ Step 8: Plan Primary Cost Inputs

Task Plan primary cost inputs.	**Time** 10 min
Short Description Plan the primary cost inputs for the cafeteria, assembly and maintenance.	
Name (Position) Shuyuan Chen (Head of Accounting)	

Primary costs are incurred in all three cost centers each fiscal year. These costs are 60,000 for salaries and 90,000 for purchased services in the cafeteria, maintenance salaries in the amount of 60,000, and assembly wages in the amount of 150,000.

<div align="right">Scenario</div>

To plan the primary cost inputs, in the Controlling area use the *Plan Primary Costs Inputs – Depreciation/Interest* app.

<div align="right">Start</div>

Plan Primary Cost
Inputs
Depreciation/Interest

The layout *Cost Elements Acty-Indep./Acty-Dependent* (*1-101*) appears.

Fill the fields *Version*, *Periods* and *Fiscal Year* with the same values as in the previous step, if they are not already populated.

<div align="right">0
1
12
current year</div>

As *Cost Center*, enter **CAFE1###** and choose *Cost Element* **6991000** (*Cost of labor*) using the value help symbol ⬚. Leave all other fields blank!

<div align="right">CAFE1###
6991000</div>

Click **Overview Screen**.

On the following screen, enter *Plan Fixed Costs* of **60000** and click **Post**.

Repeat the process for *Cost Center* **CAFE1###** and Cost Element **5900000** (*Purchased Services*) with *Plan Fixed Costs* of **90000**.

On the *Change Cost Element/Activity Input Planning: Initial Screen* screen, change *Cost Center* to **MAIN1###** and *Cost Element* to **6991000** (*Cost of labor*). Enter *Plan Fixed Costs* of **60000**.

Finally, change Cost Center to **ASSY1###**, enter Activity Type **A###** and Cost Element **6991000** (*Cost of Labor*). Now that you have added an activity type, the primary cost input can be planned activity-dependent – that is, with a fixed and variable price. Then, click **Overview Screen**.

The *Plan Variable Cost* field should now be ready for input. Enter **150000** and save with **Post**.

	Activit…	Cost Element	Plan Fixed Costs	Dist…	Plan Variable Costs	Dist…
☐	A000	6991000		2	150,000.00	2

Click on **SAP** to return to the SAP Fiori launchpad.

Confirm any browser warning messages for unsaved data with **Ok**.

☐

Right margin notes:

60000

CAFE1###
5900000
90000

MAIN1###
6991000
60000

ASSY1###, A###,
6991000

150000

Step 9: Plan Internal Activity Inputs

Task Plan internal activity inputs.	**Time** 5 min

Short Description Plan the internal activity inputs between the maintenance and the assembly cost centers.

Name (Position) Shuyuan Chen (Head of Accounting)

To plan internal activity inputs, in the *Controlling* area use the *Plan Primary Costs Inputs – Depreciation/Interest* app again.

Start

Plan Primary Cost Inputs
Depreciation/Interest
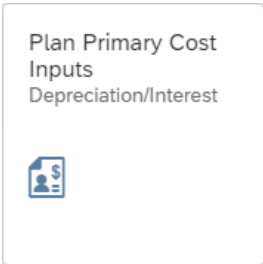
The layout *Cost Elements Acty-Indep./Acty-Dependent* (*1-101*) appears. Because this screen is only suitable for cost elements, not for activity types, click ⬀ (*Next Layout*) to go to the next layout, *Activity Input Acty.-Indep./Acty.-Dep.* (*1-102*).

Fill the fields *Version*, *Periods* and *Fiscal Year* with the same values as in the previous step, if they are not already populated.

0
1
12
current year

As *Cost Center*, enter **ASSY1###**, as *Sender Cost Center* enter **MAIN1###** and as Sender Activity Type **M###**. Leave all other fields blank!

ASSY1###,
MAIN1###
M###

Layout:	1-102 Activity Input Acty-Indep./Acty-Dep.

Variables

Version:	0	Plan/Act - Version
From Period:	1	January
To Period:	12	December
Fiscal year:	2022	
Cost Center:	ASSY1000	Production Assembly Department
to:		
or group:		
Activity Type:		Assembly Hours 000
to:		
or group:		
Sender cost center:	MAIN1000	
to:		
or group:		
Sender Activity Type:	M000	
to:		
or group:		

Go to the overview screen by clicking on Overview Screen , and then as *Plan fixed consumption* enter **600** hours. Save by clicking Post .

600

Click on SAP to return to the SAP Fiori launchpad.

Confirm any browser warning messages for unsaved data with Ok .

Step 10: Review Planning

Task Review planned costs.	**Time** 5 min

Short Description Review the planned costs for the cafeteria, maintenance and assembly using the planning report.

Name (Position) Shuyuan Chen (Head of Accounting)

All cost centers have been charged with primary costs. In addition, you can see total inputs and internal allocation values in maintenance and assembly.

To open the report, in the *Controlling* area use the app *Display Reports – Profitability Analysis*.

Display Report
Profitability Analysis
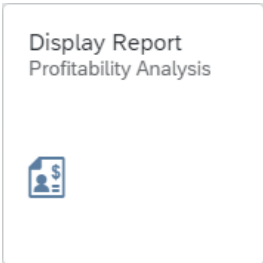
If not already filled in, as *Report Parameters* enter *Cost Center* **ASSY1###**, the **current fiscal year**, *Period* **1** to **12** and *Version* **0**. Click on ⟳ Execute .

Controlling Area	NA00 Global Bike North America
Fiscal Year	2021
Period	1 To 12
Version	000 Plan/Act - Version
Cost Center	ASSY1000 Assembly 000

Cost elem./descript.	OTy	PartnerObj	ParAct	Σ	Val.in CoCdCur	Σ	Fxd value in	Total Qty	Fixed Qty	Unit
8030002 Allocation MAIN1000	ATY	MAIN1000	M000		0.00		0.00	600	600	H
Activity Input				·	0.00	·	0.00			
Activity-Independent Costs				· ·	0.00	· ·	0.00			
6991000 Cost of Labor					150,000.00		0.00			
A000 Assembly Hours 000				·	150,000.00	·	0.00			
Activity-Dependent Costs				· ·	150,000.00	· ·	0.00			
Debit				· · ·	150,000.00	· · ·	0.00			
8030003 Allocation ASSY1000					0.00		0.00	6,000-	0	H
A000 Assembly Hours 000				·	0.00	·	0.00			
Activity Allocation				· ·	0.00	· ·	0.00			
Credit				· · ·	0.00	· · ·	0.00			
Under/Over-Absorbed Overhead				· · · ·	150,000.00	· · · ·	0.00			

Your report should look similar to the one shown above.

In the bottom-right corner, click Cancel and review the planning reports for *Cost Centers* **MAIN1###** and **CAFE1###** as well.

MAIN1###

Controlling Area	NA00 Global Bike North America
Fiscal Year	2021
Period	1 To 12
Version	000 Plan/Act - Version
Cost Center	MAIN1000 Maintenance 000

Cost elem./descript.	OTy	PartnerObj	ParActvy	Σ	Val.in CoCdCur	Σ	Fxd value in
6991000 Cost of Labor					60,000.00		60,000.00
Primary Costs				▪	**60,000.00**	▪	**60,000.00**
Activity-Independent Costs				▪ ▪	**60,000.00**	▪ ▪	**60,000.00**
Debit				▪ ▪ ▪	**60,000.00**	▪ ▪ ▪	**60,000.00**
8030002 Allocation MAIN1000					0.00		0.00
8030002 Allocation MAIN1000	CTR	ASSY1000			0.00		0.00
M000 Maint. Hours 000				▪	**0.00**	▪	**0.00**
Activity Allocation				▪ ▪	**0.00**	▪ ▪	**0.00**
Credit				▪ ▪ ▪	**0.00**	▪ ▪ ▪	**0.00**
Under/Over-Absorbed Overhead				▪ ▪ ▪ ▪	**60,000.00**	▪ ▪ ▪ ▪	**60,000.00**

CAFE1###

Controlling Area	NA00 Global Bike North America
Fiscal Year	2021
Period	1 To 12
Version	000 Plan/Act - Version
Cost Center	CAFE1000 Cafeteria 000

Cost elem./descript.	OTy	PartnerObj	ParActvy	Σ	Val.in CoCdCur	Σ	Fxd value in
5900000 Purchased services					90,000.00		90,000.00
6991000 Cost of Labor					60,000.00		60,000.00
Primary Costs				▪	**150,000.00**	▪	**150,000.00**
Activity-Independent Costs				▪ ▪	**150,000.00**	▪ ▪	**150,000.00**
Debit				▪ ▪ ▪	**150,000.00**	▪ ▪ ▪	**150,000.00**
Under/Over-Absorbed Overhead				▪ ▪ ▪ ▪	**150,000.00**	▪ ▪ ▪ ▪	**150,000.00**

Click on **SAP** to return to the SAP Fiori launchpad.

Step 11: Create Assessment

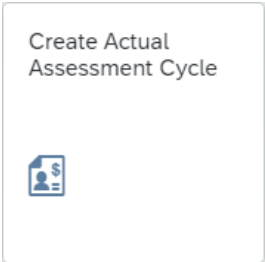|	
Task Create an assessment.	**Time** 15 min
Short Description Create assessment for cafeteria costs.	
Name (Position) Shuyuan Chen (Head of Accounting)	

To assess cafeteria costs, in the *Controlling* area use the app *Create Actual Assessment Cycle.*

Create Actual
Assessment Cycle

In the *Execute Plan Assessment: Initial Screen,* choose **More ► Extras ►Cycle ►Create**. In the *Cycle* field, enter **C1###** and as *Start Date* select **01/01 of the current fiscal year**. Then, click **Execute**.

C1###
01/01 of current year

As *Text*, type in **Cycle CAFE1###** and uncheck the **Iterative** field. Then, click Attach segment .

Cycle CAFE1##
~~Iterative~~

Controlling Area: NA00 Global Bike North America	
Cycle: C1000	Status: new
Start Date: 01/01/2022 To: 12/31/2022	
Text: Cycle CAFE1000	
Indicators	**Field Groups**
☐ Iterative	☐ Object Currency
	☐ Transaction Currency

As *Segment Name* enter **SEG###** and as description **Segment ###**. On the *Segment Header* tab, as Assessment CElem type in **803###1**.

SEG###
Segment ###
803###1

On the *Senders/Receivers* tab, as *Sender Cost Center* in the *From* column enter **CAFE1###** and as *Receiver Cost Center* in the *Group* column enter **GROUP1###**. Compare with the screen shown below.

CAFE1###
GROUP1###

	From	To	Group
Sender			
Cost Center:	CAFE1000		
Functional Area:			
Cost Element:			
Receiver			
Order:			
Cost Center:			GROUP1000
Functional Area:			
Cost Object:			
WBS Element:			

(tabs: Segment Header, Senders/Receivers, Sender Values, Receiver Tracing Factor)

On the *Receiver Tracing Factor* tab, in the *Var. portion type* pull-down menu choose the value **Plan Stat. Key Figures**.

An information popup indicates that new fields are displayed. Close the popup by clicking ✔ (*Continue*). In the *Selection Criteria* section, in the *From* column choose **0** (*Plan/Act - Version*) and enter *Stat. key fig.* **EMP###**.

Tracing Factor

Var.Portion Type:	6 Plan Stat. Key Figures
Scale Neg. Tracing Factors:	1 No Normalization

Selection Criteria

	From	To	Group
Version	000		
Stat. key fig.	EMP000		
Activity Type			

(tabs: Segment Header, Senders/Receivers, Sender Values, Receiver Tracing Factor)

Click **Save Without Check**. You will receive the following message.

✓ Cycle C1000, starting date 01/01/2201 has been saved View Details

In the top-left corner of the screen, click ❮ three times to go back, and confirm the subsequent confirmation Yes .

On the *Execute Plan Assessment: Initial Screen*, for *Period* enter **1** *To* **12** and as *Fiscal Year* the **current year**. In the *Cycle* field, enter **C1###** and press Enter. In the Section Processing Options uncheck **Test Run**.

Margin notes:
Plan Stat. Key Figures

0
EMP###

1, 12
current year
C1###
~~Test Run~~

Parameters

Controlling Area:	NA00 Global Bike North Am
* Period:	1 To: 12
* Fiscal Year:	2022

Additional Functions

- 🔒 Lock Segments for Test Run
- ▦ Display Documents and Simulations
- 👁 Show Executions in Schedule Manager

Processing Options

- ☐ Background Processing
- ☐ Test Run
- ☑ Detail Lists   [List Selection]

Cycle	Start Date	
C1000	01/01/2022	Cycle CAFE1000

Then, click [Execute].

The system should notify you that processing was completed without errors. The number of *Senders* should be 1 and the *Number of Receivers* 3.

Display CCA: Plan Assessment Basic List

≡ ≡ Σ ▽ 🔍 Segments 🔍 ⧉ More ⌄

Controlling Area	NA00
Version	0
Period	001 To 012
Fiscal Year	2022
Value Date	01/01/2022
Exchange Rate Type	M Standard translation at average rate
Document Number	200000211
Processing Status	UpdateRun

Processing completed without errors

Cycle	Start Date	Text	P	Senders	Number of Receivers	No. of Messages
C1000	01/01/2022	Cycle CAFE1000	U	1	3	0

In the top-left corner, click [<] and then select [Yes] to exit the list.

Click on [SAP] to return to the SAP Fiori launchpad.

Confirm any browser warning messages for unsaved data with [Ok].

Step 12: View Assessment Results

Task Review assessment results.	**Time** 10 min
Short Description Review the results of the assessment using the planning report.	
Name (Position) Shuyuan Chen (Head of Accounting)	

To open the report, in the *Controlling* area use the app *Display Reports – Profitability Analysis*.

<div align="right">Start</div>

Display Report
Profitability Analysis

On the *Planning Report: Initial Screen*, as *Cost Center* select **ASSY1###**. If not already populated, in the *Fiscal Year* field enter the **current year**, type in *Period* **1** *To* **12** and *Version* **0**. Click on ⟳ Execute and view the results of the assessment.

<div align="right">ASSY1###
current year
1
12
0</div>

Controlling Area	NA00 Global Bike North America
Fiscal Year	2021
Period	1 To 12
Version	000 Plan/Act - Version
Cost Center	ASSY1000 Assembly 000

Cost elem./descript.	OTy	PartnerObj	ParActvy	Σ	Val.in CoCdCur	Σ	Fxd value in	Total Qty	Fixed Qty	Unit
8030001 Plan Asm. CAFE1000	CTR	CAFE1000			90,000.00		90,000.00			
Assessment				▪	90,000.00	▪	90,000.00			
8030002 Allocation MAIN1000	ATY	MAIN1000	M000		0.00		0.00	600	600	H
Activity Input				▪	0.00	▪	0.00			
Activity-Independent Costs				▪ ▪	90,000.00	▪ ▪	90,000.00			
6991000 Cost of Labor					150,000.00		0.00			
A000 Assembly Hours 000				▪	150,000.00	▪	0.00			
Activity-Dependent Costs				▪ ▪	150,000.00	▪ ▪	0.00			
Debit				▪ ▪ ▪	240,000.00	▪ ▪ ▪	90,000.00			
8030003 Allocation ASSY1000					0.00		0.00	6,000-	0	H
A000 Assembly Hours 000				▪	0.00	▪	0.00			
Activity Allocation				▪ ▪	0.00	▪ ▪	0.00			
Credit				▪ ▪ ▪	0.00	▪ ▪ ▪	0.00			
Under/Over-Absorbed Overhead				▪ ▪ ▪ ▪	240,000.00	▪ ▪ ▪ ▪	90,000.00			

In the top-left corner, click ◀ and then repeat the process above to review the assessment results for the maintenance and cafeteria cost centers.

<div align="right">MAIN1###
CAFE1###</div>

The maintenance and assembly cost centers were charged with a cafeteria assessment of 30,000 and 90,000, and the cafeteria cost center credited with 120,000. The amount of cafeteria costs remaining in the CAFE1### cost center is 30,000.

You may have noticed that the activity inputs and activity allocations of cost centers ASSY1### and MAIN1### are still valuated with zero, even though all the quantity information has been entered. This is because no prices have been planned yet for the involved activity types. You will do this in the next step.

Click on **SAP** to return to the SAP Fiori launchpad.

Confirm any browser warning messages for unsaved data with **Ok** .

Step 13: Price Calculation of Activity Types

Task Calculate prices of activity types.	**Time** 5 min
Short Description Calculate the prices of your activity types.	
Name (Position) Shuyuan Chen (Head of Accounting)	

To calculate prices of activity types, in the *Controlling* area use the app *Price Calculation of Activity Types*.

Start

Price Calculation of Activity Types

On the following screen, choose the first radio button (*Cost center group*) and enter your cost center group **GROUP1###**. Again, use the parameters *Version 0*, *Period* **1** *To* **12** and the **current year**. Uncheck the *Test Run* box and click **Execute**.

GROUP1###
0
1
12
current year
~~Test Run~~

Controlling Area: NA00

- ⦿ Cost center group   GROUP1000
- ○ Selection Variant
- ○ All Cost Centers

Parameters

     * Version: 0   Plan/Act - Version
     * Period: 1   to: 12
     * Fiscal Year: 2022

Processing

- ☐ Background Processing
- ☐ Test Run
- ☑ Detail Lists
- ☐ With fixed cost predistr.

Click on ✔ (*Continue*) to look at the calculation. If everything worked correctly, the SAP system reports that the processing was completed without errors.

```
Controlling Area      NA00          Global Bike North America
Version               0             Plan/Act - Version
Fiscal Year           2022
Period                001      To           012
Cost center group     GROUP1000
Plan price calc.      2             Average price
Currency              USD           United States Dollar
Exchange Rate Type    M             Standard translation at average rate
Value Date            01/01/2022


Processing Status     UpdateRun
```

Write down the prices the system calculated for your activity types:

Total price for ASSY1### and activity type A###:_____

Total price for MAIN1### and activity type M###:_____

Click on **SAP** to return to the SAP Fiori launchpad.

Confirm the popup with [Yes].

Step 14: View Price Calculation Results

Task View results of a price calculation.   **Time** 5 min

Short Description View the results of your price calculation using the planning report.

Name (Position) Shuyuan Chen (Head of Accounting)

To open the report, in the *Controlling* area use the app *Display Reports – Profitability Analysis*.

Start

Display Report
Profitability Analysis

On the *Planning Report: Initial Screen*, as *Cost Center* select **CAFE1###**. If not already populated, in the *Fiscal Year* field enter the **current year**, type in *Period* **1** *To* **12** and *Version* **0**. Click on ⟳ Execute and review the results.
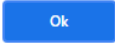
CAFE1###
current year
1
12
0

In the top-left corner, click ◀ and then repeat the process above to review the results for the maintenance and assembly cost centers. Your assembly cost center report should look like the example below.

MAIN1###
ASSY1###

Controlling Area	NA00 Global Bike North America
Fiscal Year	2021
Period	1 To 12
Version	000 Plan/Act - Version
Cost Center	ASSY1000 Assembly 000

Cost elem./descript.	OTy	PartnerObj	ParActvy	Σ	Val.in CoCdCur	Σ	Fxd value in	Total Qty	Fixed Qty	Unit
8030001 Plan Asm. CAFE1000	CTR	CAFE1000			90,000.00		90,000.00			
Assessment				▪	90,000.00	▪	90,000.00			
8030002 Allocation MAIN1000	ATY	MAIN1000	M000		30,000.00		30,000.00	600	600	H
Activity Input				▪	30,000.00	▪	30,000.00			
Activity-Independent Costs				▪ ▪	120,000.00	▪ ▪	120,000.00			
6991000 Cost of Labor					150,000.00		0.00			
A000 Assembly Hours 000				▪	150,000.00	▪	0.00			
Activity-Dependent Costs				▪ ▪	150,000.00	▪ ▪	0.00			
Debit				▪ ▪ ▪	270,000.00	▪ ▪ ▪	120,000.00			
8030003 Allocation ASSY1000					270,000.00-		120,000.00-	6,000-	0	H
A000 Assembly Hours 000				▪	270,000.00-	▪	120,000.00-			
Activity Allocation				▪ ▪	270,000.00-	▪ ▪	120,000.00-			
Credit				▪ ▪ ▪	270,000.00-	▪ ▪ ▪	120,000.00-			
Under/Over-Absorbed Overhead				▪ ▪ ▪ ▪	0.00	▪ ▪ ▪ ▪	0.00			

As you can see, the cafeteria costs and assessment of the maintenance cost center amount to 120,000. Labor costs in the amount of 150,000 are also incurred. If the total input is 6,000 hours, this results in a price of 45.00 for one assembly hour.

Click on **SAP** to return to the SAP Fiori launchpad.

Confirm any browser warning messages for unsaved data with **Ok**.

CO-CCA Challenge

Learning Objective Understand and perform a cost center accounting process.　　　　　　　　　　　　　　　　　　　　　**Time** 45 min

Motivation After you have successfully worked through the *Cost Center Accounting (CO-CCA)* case study, you should be able to solve the following task on your own.

Scenario You have already allocated the cafeteria costs to receiving cost centers. Now, you need to allocate the electricity costs to the cost centers assembly and maintenance.

Both are situated in the same building with a total space of 3000 square meters. Thus, electricity costs are split based on the space assigned to each cost center. Use a ratio of four (Assembly) to one (Maintenance) for your calculation.

Collect accrued electricity costs in the amount of 45,000 USD on a suitable new cost center (e.g. ENER1###) within hierarchy area N4000. Use cost element 7510000 to do so. Afterwards allocate these costs to the receiving cost centers.

Notes Since this task is based on the *Cost Center Accounting (CO-CCA)* case study you can use it as guidance. However, it is recommended that you solve it without any help in order to test your acquired knowledge.

Please note the difference between an assessment and a distribution.

Plan Assessment	Plan Distribution
Allocation of primary and secondary costs	Allocation of primary costs
Allocation using an assessment cost element (after combining all original primary cost elements)	Separate allocation with original primary cost element