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.

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| 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.  M:\Curricula\Vorlagen\Logo_Global Bike\Global_Bike_Logo_neu_2018\Logo1.png |

|  | Process Overview | |
| --- | --- | --- |
| **Learning Objective** Understand and perform a cost center accounting process.  **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) | | **Time** 105 min |
|  | | |
| 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. | | |
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|  | Step 1: Create Cost Center | |
| --- | --- | --- |
| **Task** Create three cost centers.  **Short Description** Use the SAP Fiori launchpad to create cost center for cafeteria, maintenance and assembly.  **Name (Position)** Jamie Shamblin (Controller) | | **Time** 10 min |
|  | |  |
| 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 |
|  | |  |
| In the upper right, click the button . | |  |
| 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 |
|  | |  |
| 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. | |  |
|  | |  |
| In the lower-right corner, click  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***  **Person responsible: *Your name***  **Cost center category: *H***  **Hierarchy area: *N4300***  **Company Code: *US00***  **Business area: *BI00***  **Currency: *USD*** | | MAIN1###  01/01 of current year  Maintenance ###  Production Maintenance Department  your name  H  N4300  US00  BI00  USD |
| In the lower-right corner, click  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###***  **Valid from: *01/01* *of the current fiscal year***  **Name: *Assembly ###***  **Description: *Production***  ***Assembly*** ***Department***  **Person responsible: *Your name***  **Cost center category: *F***  **Hierarchy area: *N4200***  **Company Code: *US00***  **Business area: *BI00***  **Currency: *USD*** | | ASSY1###  01/01 of current year  Assembly ###  Production Assembly Department  your name  F  N4200  US00  BI00  USD |
| Click  again to save your cost center. | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
|  | |  |

|  |  |  |  |
| --- | --- | --- | --- |
|  | Step 2: Create Statistical Key Figure | | |
| **Task** Create a new statistical key figure.  **Short Description** Create a statistical key figure for the number of employees (per department).  **Name (Position)** Jamie Shamblin (Cost Accountant) | | **Time** 5 min |
|  | |  |
| 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 |
|  | |  |
| In the upper right, click the button . | |  |
| 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 |
|  | |  |
| Compare your screen with the screenshot above and click . | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
|  | |  |

|  | Step 3: Create Secondary Cost Elements | |
| --- | --- | --- |
| **Task** Create secondary cost elements.  **Short Description** Create secondary cost elements to later assess cafeteria, assembly and maintenance costs.  **Name (Position)** Jamie Shamblin (Cost Accountant) | | **Time** 5 min |
|  | |  |
| 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. | | Cost element |
| 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. | | Secondary cost elements |
|  | |  |
| To create a new secondary cost element, in the *Controlling* area use the app *Manage G/L Account Master Data*. | | Start |
|  | |  |
| In the upper right, click the button. | |  |
| 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*). | | 803###1  GL00  Secondary Costs 08 |
| **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###**. | | Plan Asm CAFE1###  Plan Asm CAFE1### |
|  | |  |
| 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 .  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  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 . | |  |
| In the second column (*Cost Element Category*), select **42** (Assessment). | | 42 |
|  | |  |
| Confirm your entries with . | |  |
| 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**  Field Status Group **ZSEC**  Cost. Elem. Cat.: **43** | | 803###2  GL00  Secondary Costs  08  Allocation MAIN1###  US00 USD  ZSEC  43 |
| Check your entries and again and then click . | |  |
| 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** | | 803###3  GL00  Secondary Costs  08  Allocation ASSY1###  US00 USD  ZSEC  43 |
| Now, click . | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
|  | |  |

|  | Step 4: Create Activity Types | | |
| --- | --- | --- | --- |
| **Task** Create activity types.  **Short Description** Create activity types, which are used to allocate costs for maintenance and assembly activities.  **Name (Position)** Jamie Shamblin (Cost Accountant) | | **Time** 10 min |
|  | |  |
| *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 |
|  | |  |
| In the upper right, click the button. | |  |
| 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. | | 1  803###2 |
|  | |  |
| In the lower-right corner, click  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** | | A###  01/01 of current year  Assembly Hours ###  H  \*  1  803###3 |
| Now, click  to save your activity type. | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
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|  | Step 5: Create Cost Center Group | |
| **Task** Create a cost center group.  **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) | | **Time** 10 min |
|  | |  |
| Cost centers can be grouped together to form *cost center groups*. You can use these groups to form costcenter 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 |
|  | |  |
| In the upper left, click on . | |  |
| 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 . | | NA00  GROUP1### |
|  | |  |
| In the *Name* column of your GROUP1### line item, enter **Cafeteria cost receivers**. | | Cafeteria cost receivers |
|  | |  |
| Then, click on  and select *Add Cost Center*. | |  |
|  | |  |
| 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 . | | \*### |
| The system should display the three cost centers you created earlier. | |  |
|  | |  |
| Check all three and click . | |  |
|  | |  |
| Your three cost centers should now have been added to your cost center group *GROUP1###*. | |  |
|  | |  |
| In the upper-left corner, click the button . | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
|  | |  |

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| --- | --- | --- |
|  | Step 6: Plan Number of Employees | |
| **Task** Plan statistical key figure values.  **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) | | **Time** 5 min |
|  | |  |
| To plan statistical key figure values, in the *Controlling* area use the *Change Statistical Key Figure Planning* app. | | Start |
|  | |  |
| 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. | | 0  1  12  current year  ASSY1###  EMP### |
|  | |  |
| At the bottom of the screen in the *Entry* area, choose **Form-Based**. Then, click . | | Form-Based |
| In the Current Plan Value column, enter **15** and click . | | 15 |
| The system displays a success message. | |  |
|  | |  |
| Repeat the same process for cost center **MAIN1###** and enter **5** as current plan value. | | MAIN1###  5 |
| Finally, repeat the process once again for cost center **CAFE1###** and plan **5** employees. | | CAFE1###  5 |
| Click on  to return to the SAP Fiori launchpad. | |  |
| Confirm any browser warning messages for unsaved data with . | |  |
|  | |  |

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| --- | --- | --- | --- |
|  | Step 7: Plan Activity Output | | |
| **Task** Plan activity output.  **Short Description** Plan the activity output of the maintenance and assembly.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 5 min |
|  | |  |
| To plan activity output, in the *Controlling* area use the *Edit Prices for Activity Types – Cost Centers* app. | | Start |
|  | |  |
| If asked, enter **NA00** as *Controlling Area* and confirm with *Continue*. | | NA00 |
|  | |  |
| 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. | | 0  1  12  current year |
| As *Cost Center*, enter **MAIN1###** and as *Activity Type* **M###**. Leave all other fields blank. Then, click . | | MAIN1###  M### |
|  | |  |
| In the *Plan Activity* column, enter **1800** hours. Click . | | 1800 |
|  | |  |
| Repeat the process for *Cost Center* **ASSY1###** and *Activity Type* **A###** with a *Plan Activity* of **6000** hours. | | ASSY1###  A###  6000 |
|  | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
| Confirm any browser warning messages for unsaved data with . | |  |
|  | |  |

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| --- | --- | --- |
|  | Step 8: Plan Primary Cost Inputs | |
| **Task** Plan primary cost inputs.  **Short Description** Plan the primary cost inputs for the cafeteria, assembly and maintenance.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 10 min |
|  | |  |
| 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. | | Scenario |
|  | |  |
| To plan the primary cost inputs, in the Controlling area use the *Plan Primary Costs Inputs – Depreciation/Interest* app. | | Start |
|  | |  |
| 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. | | 0  1  12  current year |
| As *Cost Center*, enter **CAFE1###** and choose *Cost Element* **6991000** (*Cost of labor*) using the value help symbol . Leave all other fields blank! | | CAFE1###  6991000 |
|  | |  |
| Click . | |  |
| On the following screen, enter *Plan Fixed Costs* of **60000** and click . | | 60000 |
| Repeat the process for *Cost Center* **CAFE1###** and Cost Element **5900000** (*Purchased Services*) with *Plan Fixed Costs* of **90000**. | | CAFE1###  5900000  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**. | | MAIN1###  6991000  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 . | | ASSY1###, A###, 6991000 |
| The *Plan Variable Cost* field should now be ready for input. Enter **150000** and save with . | | 150000 |
|  | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
| Confirm any browser warning messages for unsaved data with . | |  |
|  | |  |

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| --- | --- | --- | --- |
|  | Step 9: Plan Internal Activity Inputs | | |
| **Task** Plan internal activity inputs.  **Short Description** Plan the internal activity inputs between the maintenance and the assembly cost centers.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 5 min |
|  | |  |
| To plan internal activity inputs, in the *Controlling* area use the *Plan Primary Costs Inputs – Depreciation/Interest* app again. | | Start |
|  | |  |
| 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### |
|  | |  |
| Go to the overview screen by clicking on , and then as *Plan fixed consumption* enter **600** hours. Save by clicking . | | 600 |
| Click on  to return to the SAP Fiori launchpad. | |  |
| Confirm any browser warning messages for unsaved data with . | |  |
|  | |  |

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|  | Step 10: Review Planning | |
| **Task** Review planned costs.  **Short Description** Review the planned costs for the cafeteria, maintenance and assembly using the planning report.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 5 min |
|  | |  |
| All cost centers have been charged with primary costs. In addition, you can see total inputs and internal allocation values in maintenance and assembly. | | Scenario |
|  | |  |
| To open the report, in the *Controlling* area use the app *Display Reports – Profitability Analysis.* | | Start |
|  | |  |
| 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 . | | ASSY1###  current year  1  12  0 |
|  | |
| Your report should look similar to the one shown above. | |  |
| In the bottom-right corner, click  and review the planning reports for *Cost Centers* **MAIN1###** and **CAFE1###** as well. | |  |
|  | | MAIN1### |
|  | | CAFE1### |
| Click on  to return to the SAP Fiori launchpad. | |  |
|  | |  |

|  |  |  |
| --- | --- | --- |
|  | Step 11: Create Assessment | |
| **Task** Create an assessment.  **Short Description** Create assessment for cafeteria costs.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 15 min |
|  | |  |
| To assess cafeteria costs, in the *Controlling* area use the app *Create Actual Assessment Cycle.* | | Start |
|  | |  |
| 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 . | | C1###  01/01 of current year |
| As *Text*, type in **Cycle CAFE1###** and uncheck the **Iterative** field. Then, click  . | | Cycle CAFE1##  ~~Iterative~~ |
|  | |  |
| 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### |
|  | |  |
| On the *Receiver Tracing Factor* tab, in the *Var. portion type* pull-down menu choose the value **Plan Stat. Key Figures**. | | 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###**. | | 0  EMP### |
|  | |  |
| Click . You will receive the following message. | |  |
|  | |  |
| In the top-left corner of the screen, click  three times to go back, and confirm the subsequent confirmation . | |  |
| 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***.* | | 1, 12  current year  C1###  ~~Test Run~~ |
|  | |  |
| Then, click . | |  |
| The system should notify you that processing was completed without errors. The number of *Senders* should be 1 and the *Number of Receivers* 3. | |  |
|  | |  |
| In the top-left corner, click  and then select  to exit the list. | |  |
| Click on  to return to the SAP Fiori launchpad. | |  |
| Confirm any browser warning messages for unsaved data with . | |  |
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|  | Step 12: View Assessment Results | | |
| **Task** Review assessment results.  **Short Description** Review the results of the assessment using the planning report.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 10 min |
|  | |  |
| To open the report, in the *Controlling* area use the app *Display Reports – Profitability Analysis*. | | Start |
|  | |  |
| 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  and view the results of the assessment. | | ASSY1###  current year  1  12  0 |
|  | |  |
| In the top-left corner, click  and then repeat the process above to review the assessment results for the maintenance and cafeteria cost centers. | | MAIN1###  CAFE1### |
| 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  to return to the SAP Fiori launchpad. | |  |
| Confirm any browser warning messages for unsaved data with . | |  |
|  | |  |

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| --- | --- | --- | --- |
|  | Step 13: Price Calculation of Activity Types | | |
| **Task** Calculate prices of activity types.  **Short Description** Calculate the prices of your activity types.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 5 min |
|  | |  |
| To calculate prices of activity types, in the *Controlling* area use the app *Price Calculation of Activity Types*. | | Start |
|  | |  |
| 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 . | | GROUP1###  0  1  12  current year  ~~Test Run~~ |
|  | |  |
| Click on  (*Continue*) to look at the calculation. If everything worked correctly, the SAP system reports that the processing was completed without errors. | |  |
|  | |  |
| 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  to return to the SAP Fiori launchpad. | |  |
| Confirm the popup with . | |  |
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| --- | --- | --- |
|  | Step 14: View Price Calculation Results | |
| **Task** View results of a price calculation.  **Short Description** View the results of your price calculation using the planning report.  **Name (Position)** Shuyuan Chen (Head of Accounting) | | **Time** 5 min |
|  | |  |
| To open the report, in the *Controlling* area use the app *Display Reports – Profitability Analysis*. | | Start |
|  | |  |
| 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  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### |
|  | |  |
| 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  to return to the SAP Fiori launchpad. | |  |
| Confirm any browser warning messages for unsaved data with . | |  |
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| --- | --- | --- | --- |
|  | 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 | | | |
|  | |  |
|  | |  |