## ## Introduction

This guide will teach you how to create a cost center and assign it to a user group within your buyer company.

A [Cost Center](https://documentation.ordercloud.io/api-reference#CostCenters) is a resource used to allocate organizational expenditures. A business may use Cost Centers to allocate expenses based on its own organizational structure and tracking requirements. For example, a cost center may represent a department, location or division.

In addition, a business may choose to configure a cost center to trigger approval workflows. For example, approvals may be required when the cost center value is “Sales Department” and the shipping method is “FedEx”

## ## Prerequisites

* [Create And Assign Users And User Groups](https://documentation.ordercloud.io/use-case-guides/buyer-and-seller-organization-management/create-and-assign-users-and-user-groups)
* [Understand how assignments work](https://documentation.ordercloud.io/platform-guides/core-concepts/assignments)

## ## 1. Create a Cost Center

<div="api-reference">API Reference: [Create a Cost Center](https://documentation.ordercloud.io/api-reference#MeCostCenters)</div>

```

POST https://api.ordercloud.io/v1/buyers/{buyerID}/costcenters HTTP/1.1  
Authentication: Bearer put\_access\_token\_here

Content-Type: application/json

{

"ID": "CostCenterID",

"Name": "Cost Center Name",

"Description": "Cost Center description",

"xp": null

}

```

## ## 2. Assign a Cost Center

This step will allow us to save the cost center to a party. For this example we will be assigning a cost center to a `UserGroupID`. That means that any user in that user group will inherit the cost center.

<div class="api-reference">API Reference: [Assign a Cost Center](https://documentation.ordercloud.io/api-reference#CostCenters\_SaveAssignment)</div>

```

POST [https://api.ordercloud.io/v1/](https://api.ordercloud.io/v1/buyers/%7BbuyerID%7D/orders)/buyers/{buyerID}/costcenters  
Authentication: Bearer put\_access\_token\_here  
Content-Type: application/json

{

"CostCenterID": "CostCenterID",

"UserGroupID": "UserGroupID"

}

```

## ## Conclusion

After reading this guide, you can now create and assign cost centers in order to set up a flexible cost center workflow. While cost centers are an optional feature and are not required in OrderCloud.io, they are an extremely beneficial feature that can be configured for each individual use case.