Integration between SAP S/4HANA Finance and Sourcing & Procurement (MM)

Configuration

Business Scenario

- As a SAP Consultant, you want to know the integration points between SAP S/4HANA Finance & Controlling and SAP S/4HANA Sourcing & Procurement / Materials Management

Integration between
SAP S/4HANA Finance and Sourcing & Procurement (MM)
- Define G/L Accounts for Materials Management

- **Transaction code:** OBYC

- **Menu path:** Display IMG -> Materials Management -> Valuation and Account Assignment -> Account Determination -> Account Determination without Wizard -> Configure Automatic Postings

- You have to assign G/L accounts here for MM transactions. For example:
  - Inventory Posting - BSX
  - Offsetting entry for inventory posting - GBB
  - Unplanned delivery costs – UPF
  - Purchase input tax – VST
  - Output tax – MWS
  - G/r clearing account - WRX

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- **Valuation Modifier / Valuation Grouping Code**
  - Valuation modifier is also called as valuation grouping code
  - It Indicates a grouping of valuation areas having same business properties for the account determination.
  - It minimizes number of entries to be created for automatic account determination for the stock postings
  - Before using valuation grouping code, it needs to be activated in
    - **T-code**: OMWM
    - **Menu path:** Display IMG -> Materials Management -> Valuation and Account Assignment -> Account Determination -> Account Determination without Wizard -> Define Valuation Control

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- **Valuation Modifier / Valuation Grouping Code**
  - It is assigned to valuation area in
    - **T-code: OMWD**
    - **Menu path:** Display IMG -> Materials Management -> Valuation and Account Assignment -> Account Determination -> Account Determination without Wizard -> Group Together Valuation Areas
  - Together with other factors, the valuation grouping code determines the G/L accounts to which a goods movement is posted (automatic account determination)
  - For example, valuation areas 1000 and 2000 are required to be posted to the same G/L account, these are grouped to valuation grouping code 0001 and G/L is determined based on valuation grouping code and valuation class

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- **Valuation Class**
  - **Transaction code: OMSK**
  - Valuation class categorizes the G/L account on the basis of material type. For example, raw material will have different G/L account than the finished material, as the costs will be different in both the cases
  - Account category reference is also maintained along with the valuation class
  - The valuation class has the following functions:
    - Allows the stock values of materials of the same material type to be posted to different G/L accounts
    - Allows the stock values of materials of different material types to be posted to the same G/L account
    - Determines together with other factors the G/L accounts updated for a valuation-relevant transaction (such as a goods movement)
  - It is defined for the combination of plant and material in Accounting 1 view of material master

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- **Account Modification / General Modification**
  - **Transaction code: OMWN**
  - This key is used to determine different G/L account for the same kind of goods movement based on origin and target
  - When making offsetting entries for inventory postings, you enter the key which is assigned to the transaction key for the movement type in T-code: OMWN

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- **Accounts which need to be created for demonstration:**
  - **Inventory Posting – BSX**
    - **Valuation modification: 0001; Valuation class: 3100; Account: 270000**
  - **Offsetting entry for inventory posting – GBB**
    - **Valuation modification: 0001; General Modification: AUF; Valuation class: 3100; Account: 570010**
    - **Valuation modification: 0001; General Modification: VAX; Valuation class: 7920; Account: 570015**
  - **Cost (price) differences – PRD**
    - **Valuation modification: 0001; Valuation class: 7920; Account: 570020 (Debit)**
    - **Valuation modification: 0001; Valuation class: 7920; Account: 670020 (Credit)**
  - **Purchase input tax – VST**
    - **Account: 120000**
  - **Output tax – MWS**
    - **Account: 220000**
  - **G/r clearing account – WRX**
    - **Account: 180010**

- Define G/L Accounts for Materials Management
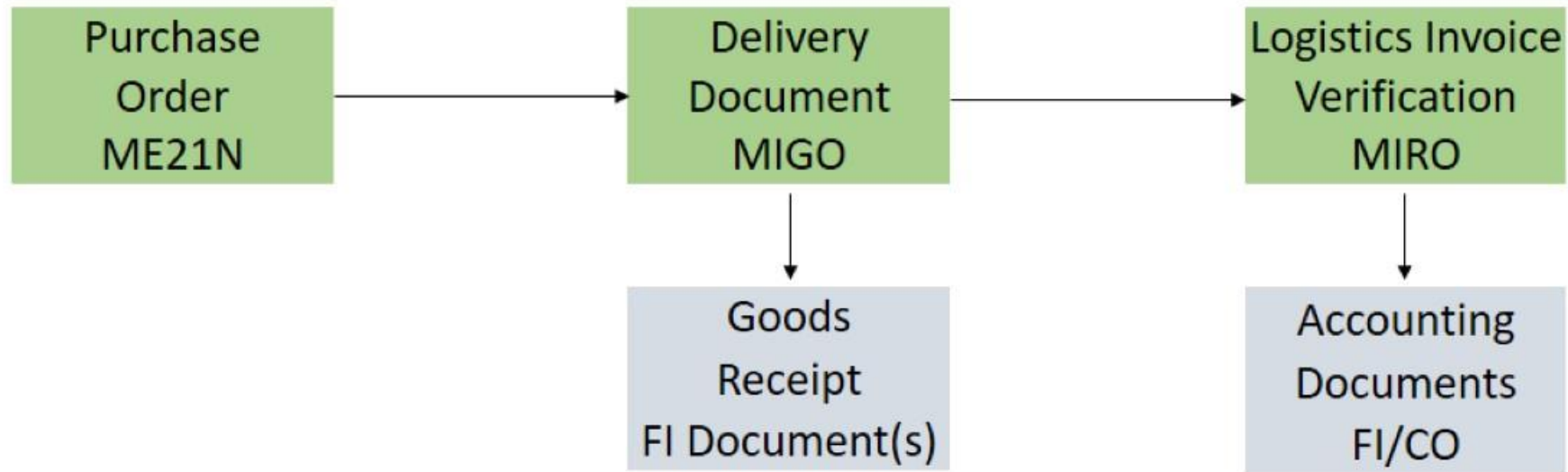
- **Transaction Code: OMWB**
  - Automatic Posting and Where-Used List: G/L Accounts in MM Account Determination

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- Procurement to Payment Cycle

- **MRP (Materials Requirements Planning)**
  - **Transaction code:** MD01 / MD03 (Single-Item, Single-Level)
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Materials Requirements Planning (MRP) -> MRP -> Planning -> Total Planning -> Online

- **Purchase Requisition**
  - **Transaction code:** ME51N
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Purchasing -> Purchase Requisition -> Create

- **Purchase Order**
  - **Transaction code:** ME21N
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Purchasing -> Purchase Order -> Create -> Vendor/Supplying Plant Known

- **Display Stock Overview**
  - **Transaction code:** MMBE
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Inventory Management -> Environment -> Stock – Stock Overview

- **Goods Receipt -> Accounting Documents**
  - **Transaction code:** MIGO
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Inventory Management -> Goods Movement -> Goods Movement
  - Display Stock Overview – **T-code: MMBE**

- **Logistics Invoice Verification –> Accounting Documents**
  - **Transaction code:** MIRO
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Logistics Invoice Verification -> Document Entry -> Enter Invoice

Purchase to payment cycle – sap s/4hana

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- Procurement to Payment Cycle

- **Purchase Order**
  - **Transaction code:** ME21N
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Purchasing -> Purchase Order -> Create -> Vendor/Supplying Plant Known
  - Org. Data, Delivery/Invoice (Payment Terms), Incoterms (Supplier Master), Invoice tab (Tax Code)

- **Goods Receipt -> Accounting Documents**
  - **Transaction code:** MIGO
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Inventory Management -> Goods Movement -> Goods Movement
  - Display Stock Overview – **T-code: MMBE**

- **Logistics Invoice Verification –> Accounting Documents**
  - **Transaction code:** MIRO
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Logistics Invoice Verification -> Document Entry -> Enter Invoice