

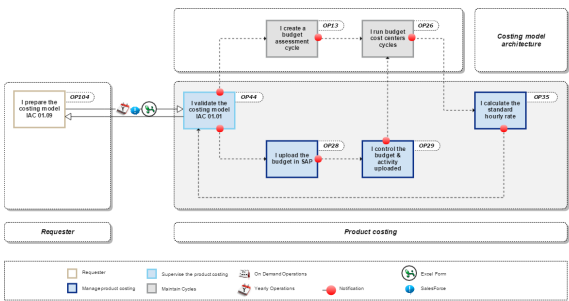
# I create a budget assessment cycle

Process: [Costing Model Architecture](#)

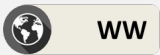
Responsibility area: [Maintain cycles](#)

**Responsibility:**

- 1. **Controlling** - Information for the cycle - Template for the Budget Cycle
- 2. **GBS** - Analyse and create the cycle.



Scope



ERP

WP2

Frequency



References

- [OP.013](#)
- [Setting standard fixed costs in WP1](#)
- [OP.013](#)
- [Setting standard fixed costs in WP1](#)

Attachments

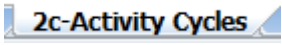
[IAC 01.01 Costing Model.xlsx](#)  
[IAC 01.01 Costing Model\\_366 days.xlsx](#)

[IAC 01.01. Costing model validation << I create a budget assessment cycle >> SBS-OP-DRTR-02-003 - I check that Cost Centers are balanced\\_old](#)

**Guideline**

Receive the Costing Model file completed by a FRA.

**STEP 1**

Open the template you received and go to the tab 

you can find :

1. the list of direct production cost centers PPPP-1
2. the list of fixed cost centers PPPP-1 & PPPP-2
3. the allocation keys

| Cost centers |                      | 8035-1000 | 8035-1001 | 8035-1002 | 8035-1003 | 8035-1004 |
|--------------|----------------------|-----------|-----------|-----------|-----------|-----------|
| 8035-2100    | ZIG GM               | 40        | 10        | 4         | 36        | 10        |
| 8035-2101    | ZIG Plant Manager    | 40        | 10        | 4         | 36        | 10        |
| 8035-2102    | ZIG PlantSupervisor1 | 40        | 10        | 4         | 36        | 10        |
| 8035-2103    | ZIG PlantSupervisor2 | 40        | 10        | 4         | 36        | 10        |
| 8035-2200    | Taxes and Insurance  | 40        | 10        | 4         | 36        | 10        |
| 8035-2201    | HSE Supplies         | 40        | 10        | 4         | 36        | 10        |
| 8035-2202    | Utilities - Power    | 40        | 10        | 4         | 36        | 10        |
| 8035-2203    | Utilities - Water    | 40        | 10        | 4         | 36        | 10        |
| 8035-2204    | Quality assurance    | 40        | 10        | 4         | 36        | 10        |
| 8035-2205    | Quality control lab  | 40        | 10        | 4         | 36        | 10        |

Read me first 1-Cost centers 2a-Activity Budget 2b-Activity Hours 2c-Activity Cycles 2d-Activity TOTAL

For instance : the cost center 8035-2110 must be allocated as below :

| Receivers | %  |
|-----------|----|
| 8035-1000 | 40 |
| 8035-1001 | 10 |
| 8035-1002 | 4  |
| 8035-1003 | 36 |
| 8035-1004 | 10 |

| Cost centers |                      | 8035-1000 | 8035-1001 | 8035-1002 | 8035-1003 | 8035-1004 |
|--------------|----------------------|-----------|-----------|-----------|-----------|-----------|
| 8035-2100    | ZIG GM               | 40        | 10        | 4         | 36        | 10        |
| 8035-2101    | ZIG Plant Manager    | 40        | 10        | 4         | 36        | 10        |
| 8035-2102    | ZIG PlantSupervisor1 | 40        | 10        | 4         | 36        | 10        |
| 8035-2103    | ZIG PlantSupervisor2 | 40        | 10        | 4         | 36        | 10        |
| 8035-2200    | Taxes and Insurance  | 40        | 10        | 4         | 36        | 10        |
| 8035-2201    | HSE Supplies         | 40        | 10        | 4         | 36        | 10        |
| 8035-2202    | Utilities - Power    | 40        | 10        | 4         | 36        | 10        |
| 8035-2203    | Utilities - Water    | 40        | 10        | 4         | 36        | 10        |
| 8035-2204    | Quality assurance    | 40        | 10        | 4         | 36        | 10        |
| 8035-2205    | Quality control lab  | 40        | 10        | 4         | 36        | 10        |

## STEP 2



Costs from indirect cost centers are transferred to direct cost centers using assessment cycles and allocation structures that must be defined

| A                                                                                                      | B         | C                                | M              | N                                |
|--------------------------------------------------------------------------------------------------------|-----------|----------------------------------|----------------|----------------------------------|
| CoCo                                                                                                   | Cost Ctr  | Description                      | Responsibility | Group                            |
| 7810                                                                                                   | 8035-2100 | ZIG GM                           | Correct        | EPRD6X PRODUCTION - INDIRECT     |
| 7810                                                                                                   | 8035-2101 | ZIG Plant Manager                | Correct        | EPRD6X PRODUCTION - INDIRECT     |
| 7810                                                                                                   | 8035-2102 | ZIG Plant Supervisor 1           | Correct        | EPRD6X PRODUCTION - INDIRECT     |
| 7810                                                                                                   | 8035-2103 | ZIG Plant Supervisor 2           | Correct        | EPRD6X PRODUCTION - INDIRECT     |
| 7810                                                                                                   | 8035-2200 | Taxes and Insurance              | Correct        | EPRD6X PRODUCTION - INDIRECT     |
| 7810                                                                                                   | 8035-2201 | HSE Supplies                     | Correct        | EPRD54 HEALTH, SECURITY & SAFETY |
| 7810                                                                                                   | 8035-2202 | Utilities - Power                | Correct        | EPRD4X UTILITIES FIXED COSTS     |
| 7810                                                                                                   | 8035-2203 | Utilities - Water                | Correct        | EPRD4X UTILITIES FIXED COSTS     |
| 7810                                                                                                   | 8035-2204 | Quality assurance                | Correct        | EPRD57 QUALITY                   |
| 7810                                                                                                   | 8035-2205 | Quality control laboratory       | Correct        | EPRD3X QUALITY LABORATORY        |
| 7810                                                                                                   | 8035-2206 | Finance                          | Correct        | EPRD52 FUNCTIONS                 |
| 7810                                                                                                   | 8035-2207 | HSE                              | Correct        | EPRD52 FUNCTIONS                 |
| 7810                                                                                                   | 8035-2208 | Purchasing                       | Correct        | EPRD52 FUNCTIONS                 |
| 7810                                                                                                   | 8035-2209 | HR                               | Correct        | EPRD52 FUNCTIONS                 |
| 7810                                                                                                   | 8035-2300 | Production Support/Maintenance   | Correct        | EPRD1X MAINTENANCE               |
| 7810                                                                                                   | 8035-2400 | Logistic in                      | Correct        | EPRD51 INTERNAL LOGISTIC         |
| 7810                                                                                                   | 8035-2401 | Warehousing                      | Correct        | EPRD51 INTERNAL LOGISTIC         |
| 7810                                                                                                   | 8035-2402 | Technology - Manager Office      | Correct        | EPRD2X TECHNICAL ASSISTANCE      |
| 7810                                                                                                   | 8035-2403 | Technology - Product Development | Correct        | EPRD2X TECHNICAL ASSISTANCE      |
| Read me first 1-Cost centers 2a-Activity Budget 2b-Activity Hours 2c-Activity Cycles 2d-Activity TOTAL |           |                                  |                |                                  |

The allocation structure to be used depends on the group that was defined by the FRA and that can be found in the tab

## 1-Cost centers

For instance the cost center 8035-2110 belongs to the group **EPRD6X**

An allocation structure is assigned to each group

For instance the allocation structure assigned to the group EPRD6X is **CM**

So it means that the cost center 8035-2100 must be settled using the allocation structure CM that replaces the secondary cost elements 99422300 for the fixed costs and 99423000 for the depreciation.

| Allocation structure | To assess:                     | Cost elements                                                                     |
|----------------------|--------------------------------|-----------------------------------------------------------------------------------|
| CE                   | EPRD1X Maintenance             | 99422200 Maintenance CNP<br>99423050 Maintenance AMO                              |
| CF                   | EPRD2X Technical Assistance    | 99422351 Technical assistance CNP<br>99423000 Depreciation indirect CC assessment |
| CG                   | EPRD3X Quality ctrl & laborat. | 99422322 Laboratory CNP<br>99423000 Depreciation indirect CC assessment           |

|    |                               |                                                                                  |
|----|-------------------------------|----------------------------------------------------------------------------------|
| CH | EPRD4X Utilities              | 99422400 Utilities CNP<br>99423003 Utilities AMO                                 |
| CI | EPRD51 Internal logistics     | 99422604 Logistic CNP<br>94230000 Depreciation indirect CC assessment            |
| CJ | EPRD52 Functions              | 99422397 Function Novocare CNP<br>99423090 Function Novocare AMO                 |
| CK | EPRD54 HSE & Environment      | 99422352 HSE & Environnement CNP<br>99423000 Depreciation indirect CC assessment |
| CL | EPRD57 Quality                | 99422334 QUALITY CNP<br>99423031 Quality AMO                                     |
| CM | EPRD56&EPRD6X Adm/Plant OCost | 99422300 Common Services CNP<br>99423000 Depreciation indirect CC assessment     |

### STEP 3

Review the allocation structure to be used for each cost center. In case of doubt you can contact the Regional Costing Manager

| CYCLES - KSUB                        |  |           |           |           |           |           |        |       |
|--------------------------------------|--|-----------|-----------|-----------|-----------|-----------|--------|-------|
| Cost centers                         |  | 8035-1000 | 8035-1001 | 8035-1002 | 8035-1003 | 8035-1004 | Group  | Alloc |
| 8035-2100 ZIG GM                     |  | 40        | 10        | 4         | 36        | 10        | EPRD6X | CM    |
| 8035-2101 ZIG Plant Manager          |  | 40        | 10        | 4         | 36        | 10        | EPRD6X | CM    |
| 8035-2102 ZIG Plant Supervisor 1     |  | 40        | 10        | 4         | 36        | 10        | EPRD6X | CM    |
| 8035-2103 ZIG Plant Supervisor 2     |  | 40        | 10        | 4         | 36        | 10        | EPRD6X | CM    |
| 8035-2200 Taxes and Insurance        |  | 40        | 10        | 4         | 36        | 10        | EPRD6X | CM    |
| 8035-2201 HSE Supplies               |  | 40        | 10        | 4         | 36        | 10        | EPRD54 | CK    |
| 8035-2202 Utilities - Power          |  | 40        | 10        | 4         | 36        | 10        | EPRD4X | CH    |
| 8035-2203 Utilities - Water          |  | 40        | 10        | 4         | 36        | 10        | EPRD4X | CH    |
| 8035-2204 Quality assurance          |  | 40        | 10        | 4         | 36        | 10        | EPRD57 | CL    |
| 8035-2205 Quality control laboratory |  | 40        | 10        | 4         | 36        | 10        | EPRD3X | CG    |

### STEP 1

Use transaction code : KSU7



KSU7 - Create Plan Assessment Cycle : Initial Screen

#### Create Plan Assessment Cycle: Initial Screen

Cycle   
Start Date

##### Copy from

Cycle   
Start Date   
Controlling Area

### STEP 2

Enter the cycle code (=PPPPBU => PPPP is the plant code)

and the starting date (1st day of the coming year) and

#### Create Plan Assessment Cycle: Initial Screen

Cycle   
Start Date

##### Copy from

Cycle   
Start Date   
Controlling Area

### STEP 3

1. Enter the validity date (to last day of the year)
2. Enter the description of the cycle (PPPP Plant name - Budget)
3. Check the Indicator "Iterative"
4. Check the Field Groups "Object Currency"

**Create Plan Assessment Cycle: Header Data**

Attach segment

Controlling Area: 2026 Rhodia Asia Pacific  
 Cycle: 8035BU Status: new  
 Start Date: 01.01.2014 To: 31.12.2014  
 Text: 8035 Hengchang - Budget  
 Indicators: ☒ Iterative  
 Field Groups: ☒ Object Currency  
☐ Transaction Currency  
 Preset Selection Criteria  
 Version: 0

### STEP 4

Click

Attach segment

**Create Plan Assessment Cycle: Segment**

Controlling Area: 2026 Rhodia Asia Pacific  
 Cycle: 8035BU 8035 Hengchang - Budget  
 Segment Name: ☒ Lock indicator

Segment Header Senders/Receivers Sender Values Receiver Tracing Factor

Assessment CElle  
 Allocation structure

Sender values  
 Sender rule: Posted amounts  
 Share in %: 100.00 %  
☐ Actual value origin ☒ Plan value origin

Receiver tracing factor  
 Receiver rule: Variable portions  
 Var.portion type: Plan costs  
 Scale Neg. Tracing Factors: No scaling

### STEP 5

Enter the segment code (cost center code) and description (cost center code & name)

**Create Plan Assessment Cycle: Segment**

Controlling Area: 2026 Rhodia Asia Pacific  
 Cycle: 8035BU 8035 Hengchang - Budget  
 Segment Name: 8035-2100 8035-2100 ZJG GM Lock indicator

Segment Header Senders/Receivers Sender Values Receiver Tracing Factor

Assessment CElle  
 Allocation structure: Miscellaneous Products

Sender values  
 Sender rule: Posted amounts  
 Share in %: 100.00 %  
☐ Actual value origin ☒ Plan value origin

Receiver tracing factor  
 Receiver rule: Variable portions  
 Var.portion type: Plan costs  
 Scale Neg. Tracing Factors: No scaling

### STEP 6

Update the tab "Segment Header" :

1. Enter the allocation structure or the assessment cost element if there is no allocation structure available
2. Sender values:
  - Sender rule = Posted amounts
  - Share in % = 100 %

3. Receiver tracing factor :
- Fixed percentage

**Create Plan Assessment Cycle: Segment**

◀ ▶ 🗨️ 📎 Attach segment

Controlling Area: Z026 Rhodia Asia Pacific  
 Cycle: 8035BU 8035 Hengchang - Budget  
 Segment Name: 8035-2100 8035-2100 ZJG GM ☐ Lock indicator

Segment Header Senders/Receivers Sender Values Receiver Tracing Factor

Assessment CEle: 1  
 Allocation structure: CM EPRD56&EPRD6X Adm/Plant O...

Sender values

Sender rule: Posted amounts 2  
 Share in %: 100.00  
☐ Actual value origin ☒ Plan value origin

Receiver tracing factor

Receiver rule: Fixed percentages 3

STEP 7

Go to the tab "Senders/Receivers"

**Create Plan Assessment Cycle: Segment**

◀ ▶ 🗨️ 📎 Attach segment

Controlling Area: Z026 Rhodia Asia Pacific  
 Cycle: 8035BU 8035 Hengchang - Budget  
 Segment Name: 8035-2100 8035-2100 ZJG GM ☐ Lock indicator

Segment Header Senders/Receivers Sender Values Receiver Tracing Factor

|                 | From | To | Group |
|-----------------|------|----|-------|
| <b>Sender</b>   |      |    |       |
| Cost Center     |      |    |       |
| Cost Element    |      |    |       |
| <b>Receiver</b> |      |    |       |
| Order           |      |    |       |
| Cost Center     |      |    |       |
| Cost Object     |      |    |       |
| WBS Element     |      |    |       |

STEP 8

Update the tab "Senders/Receivers"

1. Enter a cost center or a group of cost center (group in the standard hierarchy)
2. Enter a group of cost element ZRCS-CNP (for fixed costs) or ZRCS-AMO (for depreciation). It is not necessary when an allocation structure is used
3. Enter the receiving cost center or group of cost centers (PPPP-1)

**Create Plan Assessment Cycle: Segment**

◀ ▶ 🗨️ 📎 Attach segment

Controlling Area: Z026 Rhodia Asia Pacific  
 Cycle: 8035BU 8035 Hengchang - Budget  
 Segment Name: 8035-2100 8035-2100 ZJG GM ☐ Lock indicator

Segment Header Senders/Receivers Sender Values Receiver Tracing Factor

|                 | From        | To | Group    |
|-----------------|-------------|----|----------|
| <b>Sender</b>   |             |    |          |
| Cost Center     | 8035-2100 1 |    |          |
| Cost Element    |             |    |          |
| <b>Receiver</b> |             |    |          |
| Order           |             |    |          |
| Cost Center     |             |    | 8035-1 3 |
| Cost Object     |             |    |          |
| WBS Element     |             |    |          |

STEP 9

Go to the tab "Sender Values"

Version = 0

**Create Plan Assessment Cycle: Segment**

◀ ▶ 🗑️ 📎 Attach segment

Controlling Area: 2026 Rhodia Asia Pacific  
 Cycle: 8035BU 8035 Hengchang - Budget  
 Segment Name: 8035-2100 8035-2100 ZIG GM ☐ Lock indicator

Segment Header Senders/Receivers **Sender Values** Receiver Tracing Factor

Sender values

Share in %: 100.00  
☐ Actual value origin ☒ Plan value origin

Selection criteria

From to Group  
 Version

**STEP 10**

Go to the tab "Receiver Tracing Factors"

=> Enter the allocation key per receiving cost center

 Total = 100

**Create Plan Assessment Cycle: Segment**

◀ ▶ 🗑️ 📎 Attach segment

Controlling Area: 2026 Rhodia Asia Pacific  
 Cycle: 8035BU 8035 Hengchang - Budget  
 Segment Name: 8035-2100 8035-2100 ZIG GM ☐ Lock indicator

Segment Header Senders/Receivers Sender Values **Receiver Tracing Factor**

Receivers

| Cost Ctr  | Portion/percent |
|-----------|-----------------|
| 8035-1000 | 40.00           |
| 8035-1001 | 10.00           |
| 8035-1002 | 4.00            |
| 8035-1003 | 36.00           |
| 8035-1004 | 10.00           |
| 8035-1005 |                 |

**STEP 11**

Create a new segment by clicking

**Attach segment**

**STEP 12**

Save 

**Related SAP Transactions**

- [KSU7 to Create the Cycle](#)
- [KSU8 to Change the Cycle](#)
- [KSU9 to Display the Cycle](#)

Once the cycle is created and the budget uploaded, you can run the cycle - [I run budget cost centers cycles](#)