

Cost element - Master Data

i There are 2 types of cost elements:

1. Primary Cost Elements for cost flows from Financial Accounting to Controlling. They are the replica of GL Accounts
2. Secondary Cost Elements for cost flows within Controlling. They are created within the CO module.

Master Data to be maintained in PF2 & WP2

i Display cost elements master data with [KA03 - Display Cost Element](#)

The screenshot shows the SAP Cost Element Master Data for 'Payroll&Soc benef'. The Cost Element is 1200000000, with Controlling Area CREF and ERP SOLVAY. The valid period is from 01.01.2000 to 31.12.9999. The Name is 'Payroll&Soc benef' and the Description is 'Payroll and direct social benefits'. The Basic Data section shows the Cost Element Category as 1, which is categorized as 'Primary costs/cost-reducing revenues'.

1. Codification

The codification of a cost element depends on the ERP & the usage of the cost element:

i A primary cost elements is for CO the equivalent as accounts in FI with the same codification that is detailed in the page [GL Accounts codification tables](#).

In PF2

The codification of a primary cost element is:

- 6 when it is a cost & 7 a revenue
- 9 digits : it can depend on the use of the cost element

6 Costs

X X X X X X X X X X

7 Revenues

X X X X X X X X X X

In WP2

The codification of a primary cost element is:

- 98 : primary cost element
- 6 digits that can depend on the use of the cost element

9 8 Primary cost element

X X X X X X

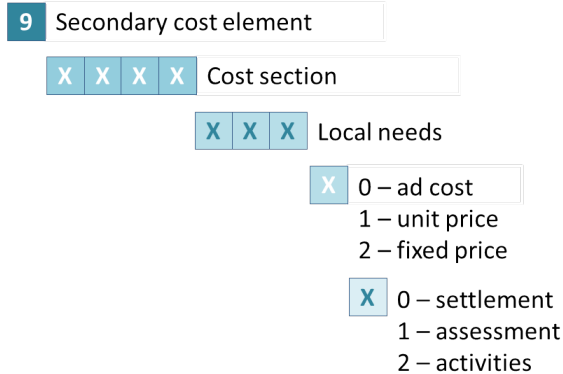
i There are 2 types of secondary cost elements:

- Cost elements to transfer costs between cost centers, orders & WBS
- Cost elements to transfer costs from the cost centers to COPA (in PF2 we speak about "Reporting cost elements")

In PF2

The codification of a cost element to transfer costs between cost objects is:

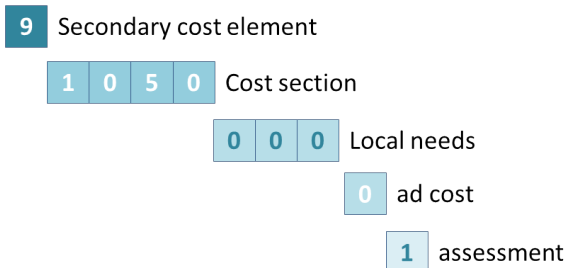
- 9 : secondary cost element
- 4 digits : cost section
- 3 digits : local need
- 1 digit
 - 0 - ad cost
 - 1 - unit price
 - 2 - fixed price
- 1 digit
 - 0 - settlement
 - 1 - assessment
 - 2 - activities



Example

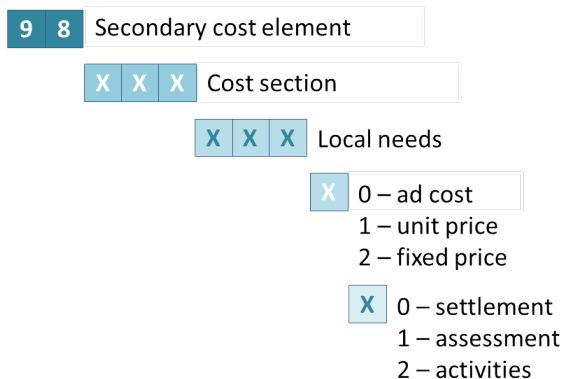
Codification of a non reporting secondary cost element used to settle Maintenance with assessment cycles

- 9 : secondary cost element
- 4 digits : cost section : 1050
- 3 digits : by default 000
- 1 digit : 0 - ad cost
- 1 digit : 1 - assessment



The codification of a Reporting cost element (to transfer costs from a cost center to COPA):

- 98 : reporting cost element
- 3 digits : cost section
- 3 digits : local need
- 1 digit
 - 0 - ad cost
 - 1 - unit price
 - 2 - fixed price
- 1 digit
 - 0 - settlement
 - 1 - assessment
 - 2 - activities



In WP2

The codification of a secondary cost element is:

- 99 : secondary cost element
- 6 digits : the first digits depend on the use of the cost element

9	9	Secondary cost element		
2	1	Internal settlement		
0	0	X	X	Maintenance
4	2	Assessment		
2	X	X	X	Fixed costs
3	X	X	X	Depreciation
6	X	X	X	R&D
9	9	X	X	COPA
4	3	Internal activity allocation		
0	X	X	X	Fixed costs
6	X	X	X	Utilities
8	X	X	X	Depreciation

2. Categories

Depending on the type & usage of the cost element, the category differs:

Primary cost element

Category 01 : the account can use a cost element or a profitability segment

- The sign used in the account in FI is the same used in CO-PA

Category 11 : the account must use a profitability segment

- The sign used in the account in FI is inversed in CO-PA (KE24)
- The report re-inverse the sign in the line (KE30)
- We cannot mix the 2 categories in the same CO-PA value field
- Be careful in the assessment cycles from cc to CO-PA (rules need to be followed)

Category 22 : external settlement > used in the primary cost elements defined as a counter part of a cost object settlement to a balance account (ex: wbs UAC in Europe)

Secondary cost element

- Category 21 : internal settlement > used in the cost elements of PM orders settlement
- Category 42 : assessment > used in the assessment cycles of cost centers
- Category 43 : internal activity allocation > assigned to the activity types. Every one could represents a fix cost or a variable cost , never mixed cost.

3. Groups

A cost element is included in 2 core groups :

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- In PF2, the group **XCS-ALL** is the base for allocation structures of Utilities and for new Splitting Structures
 - In WP2, the group **XCS-ALL** is used in the PA transfer structures for settling WBS elements, process

orders and internal orders to CO/PA

SAP t-code

KAH3 - Display cost element group

XCS-ALL Automatic input PO /WBS >> CO-PA

XCS-SELL	Sales (Process Order/WBS >> CO-PA)
XCS-SALE11	Sales (PO/WBS > CO-PA) EC 11 VVB30/41/50
XCS-SALE01	Sales (PO/WBS > CO-PA) EC 01 VVB31/40/51
XCS-CSS	Taxes (PO/WBS >> CO-PA) EC 01 VVC30
XCS-VCAL	Variable Cost(PO/WBS >>CO-PA)EC01 E/D05
XCS-FCAL	Fix Cost (PO/WBS >> CO-CNF Cost elements
XCS-MO	Man hour (Process Order/WBS >> CO-PA)
XCS-OTHFC	Fix Cost (Process Order/WBS >> CO-PA)
XCS-DEPAL	Depreciation (PO/WBS >> CO-PA) EC01 F05
XCS-STAT	Statutory depreciation (PO/WBS>>EC01 F01
XCS-VWJ15	R&D royalties
XCS-SALQTY	quantity sales

The group ZSOLV is created in PF2 & WP2.

It replaces the cost element group Z RCS-FC from 01 Jan 2022

It is used:

- in BW & Qlik for CO\$TA - Cost Transparency (WBP) & fixed costs reports: CBS - Function costs & FC - GBU Fixed Costs
- in assessment cycles (PA transfer structures & Allocation structures)
- for the determination of the subpackage in CO\$TA - Cost Transparency (WBP) when the package derivation source is COSTELMNT (see Co\$ta - Package assignment)

How to display the group ZSOLV ?

- It is maintained in SAP and can be displayed with KA H3 - Display cost element group
- A report is available in BW with the list of all cost elements and their group ZSOLV => Co\$Ta - BW Cost Element Master Data

ZSOLV SOLVAY COST ELEMENTS GROUP (in progress)

ZSOLV-SCOP	COST ELEMENTS IN TAXONOMY SCOPE
ZSO-P00001	PEOPLE
ZSO-P00002	HUMAN RESOURCES SERVICES
ZSO-P00003	FINANCIAL SERVICES
ZSO-P00004	FACILITIES & RELATED SERVICES
ZSO-P00005	INDUSTRIAL MAINTENANCE
ZSO-P00006	INDUSTRIAL OPERATIONS
ZSO-P00007	IT & TELECOMMUNICATION
ZSO-P00008	PACKAGING
ZSO-P00009	TRANSPORT & LOGISTICS SERVICES
ZSO-P00010	WAREHOUSE SERVICES & LOGISTICS RENTAL
ZSO-P00011	ENGINEERING
ZSO-P00012	MOBILITY & MEETINGS
ZSO-P00013	LEGAL SERVICES
ZSO-P00014	ENVIRONMENTAL
ZSO-P00015	COMMUNICATION FEES & DONATIONS
ZSO-P00016	CONSULTING & KNOWLEDGE SERVICES
ZSO-P00017	R&I SERVICES & GOODS
ZSO-P00018	NON PURCHASING
ZSO-P00019	ADJUSTMENTS
ZSOLV-OUT	COST ELEMENTS OUT TAXONOMY SCOPE
ZSO-P09999	OUT OF SCOPE
ZSOLV-IND	COST ELEMENTS INDIRECTS COSTS
ZSO-IND1	COST ELEMENTS INDIRECTS COSTS
ZSOLV-NA	COST ELEMENTS NON ASSIGNED
ZSOLV-NA1	COST ELEMENTS NON ASSIGNED
ZSOLV-OTH	OTHER COST ELEMENTS OUT OF COSTA
ZSOLV-OTH1	OTHER COST ELEMENTS OUT OF COSTA
ZSOLV-UNL	Non Allocated