Rules - Cost Center ZCBS hierarchy

ZCBS is the code of the alternative cost centers hierarchy that is mainly used for reporting purposes (ex: Co$ta - Reports , Fixed costs).

You can display the ZCBS hierarchy:

- in SAP using the transaction KSH3 - Display cost center hierarchy

You can also use the report FC - Cost centers master data to display all cost centers with their assignment in the hierarchy ZCBS.

All active must be assigned to the lowest level in the hierarchy so that the full ZCBS levels are properly shown for the related cost center.

A cost center in included in ZCBS according to the following principles:

- 1. There is a direct link between the first level of the ZCBS hierarchy and the Activity 1
- 2. There is a direct link between the first (or second) level of the ZCBS hierarchy and the P&L
- 3. There is a direct link between the lowest level of the ZCBS hierarchy and a BSA

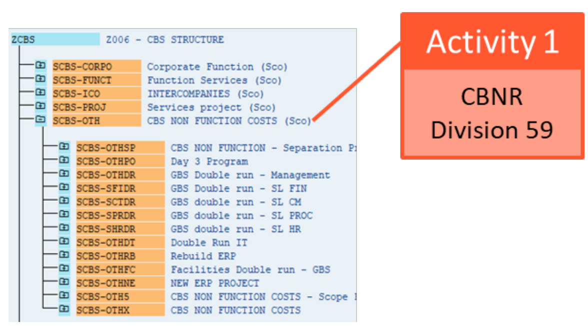
1. There is a direct link between the first level of the ZCBS hierarchy and the Activity 1

CBS cost centers

- All cost centers included in the groups **SCBS-CORPO** Corporate Function & **SCBS-FUNCT** FUNCTION SERVICES are assigned to the Activity 1 CBSS in WP2 (=IECRA00569) and PF2 (=DIV 50 or =BA 8500).
- Cost centers included in the group **SCBS-ICO** INTERCOMPANIES are assigned to the Activity 1 CBSS in WP2 (=IECRA01148) and PF2.

Non allocated cost centers

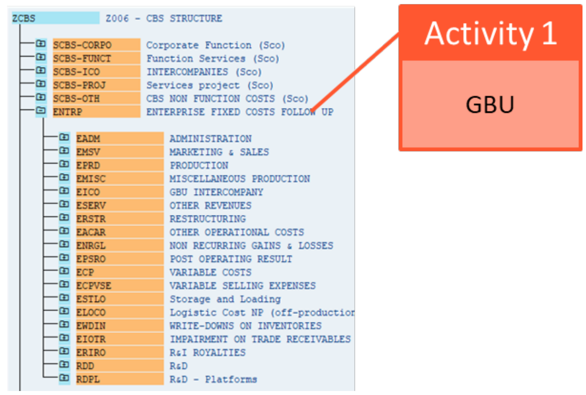
- All cost centers included in the group **SCBS-OTH** CBS NON FUNCTION COSTS are assigned to the Activity 1 **CBNR** in WP2 (=IECRA00450) and PF2 (=DIV 59 or =BA 8590).



GBU cost centers

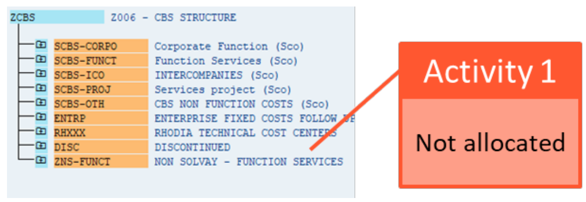
- All cost centers included in the group **ENTRP** ENTERPRISE are assigned to a GBU.

There can not be cost centers allocated to CBS included in the group ENTRP.



Other groups

- The group **RHXXX** TECHNICAL COST CENTERS is used for technical cost centers (not reported in fixed costs report)
- The group **DISC** DISCONTINUED is used for cost centers that are blocked
- The group **ZNS-FUNCT** NON SOLVAY - FUNCTION SERVICES can be used for entities sold when they want to keep working with a fixed costs report with their own groups



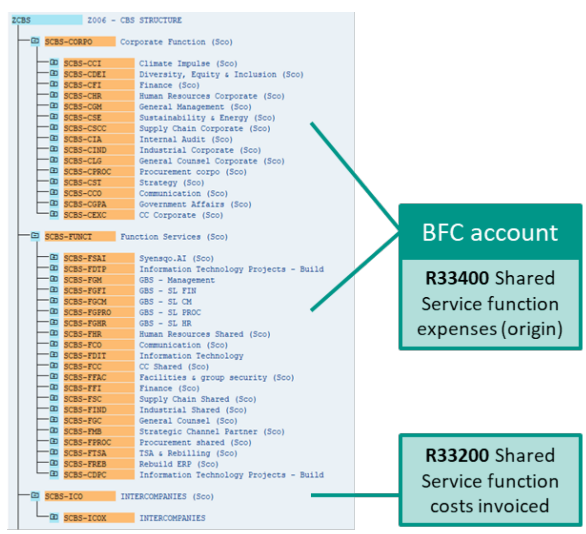
Group ZNS-FUNCT

Currently, the group ZNS-FUNCT does not exist in WP2 or PF2 because it doesn't need to be maintained.

2. There is a direct link between the first (or second) level of the ZCBS hierarchy and the P&L

CBS cost centers

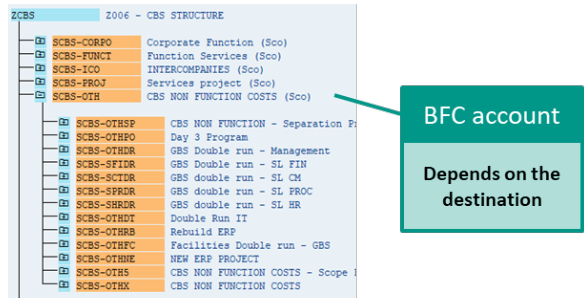
- All cost centers included in the group **SCBS-CORPO** Corporate Function & **SCBS-FUNCT** FUNCTION SERVICES are allocated to **R33400** Shared service function expenses (origin)
- All cost centers included in the group **SCBS-ICO** INTERCOMPANIES are allocated to **R33200** Shared services function costs invoiced



Non allocated cost centers

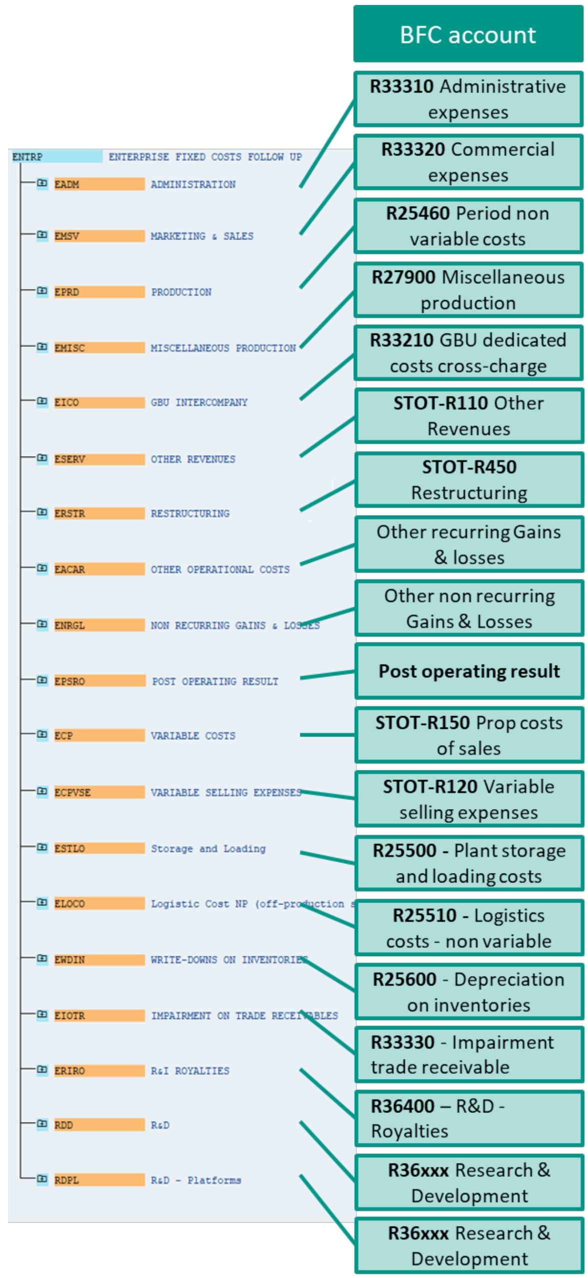
- Cost centers included in the group **SCBS-OTH** CBS NON FUNCTION COSTS : they will be allocated to corresponding

BFC headings depending on its destination (ie: Administrative or Commercial expenses, Other recurring operating income /expenses, etc)



GBU cost centers

- The allocation of cost centers included in the group **ENTRP** EN TERPRISE depends on the type of costs:



ZCBS group	**Definition**

EPRD	All production cost centers should be included in the group EPRD:
	▪ Indirect production cost centers (PPPP-2 in WP2) should be included in a group EPRD1=>EPRD6.
	    ▪ Utilities cost centers should be included in the group EPRD4Y in PF2 only. In WP2 they are included in the group ECP)
	▪ Direct production cost centers (PPPP-1 in WP2, EE32xxxxxx in PF2) should be included in the EPRD0:
	    ▪ EPRD0X when the production cost center is not mixed (all cost centers in WP2 and some cost centers in PF2)
	    ▪ EPRD0Y when the production cost center is mix ed (only in PF2)
	    ▪ EPRD0Z can be used to manage underactivity (only in very specific cases)
	
	=> Definition of Period non-proportional costs of production (R25460)

EADM	This group is used for cost centers allocated to the BFC account Administrative expenses (R33310) • A GBU can request the creation of sub-groups to detail its own organization.
EMSV	This group is used for cost centers allocated to the BFC account Commercial expenses (R33320) • A GBU can request the creation of sub-groups to detail its own organization.
RDD	This group is used for cost centers allocated to the BFC account Research and Development (R360) • A GBU can request the creation of sub-groups to detail its own organization.

For other groups you can look at the file by ERP in Assessment cycles Rules

Technical cost centers are not allocated to BFC

3. There is a direct link between the lowest level of the ZCBS hierarchy and a BSA

The ZCBS hierarchy is used for the allocation of cost centers to a BSA using.

The assignment of cost centers to a BSA is done with the cost center hierarchy = ZCBS_BSA which is built using the last level of the ZCBS hierarchy