

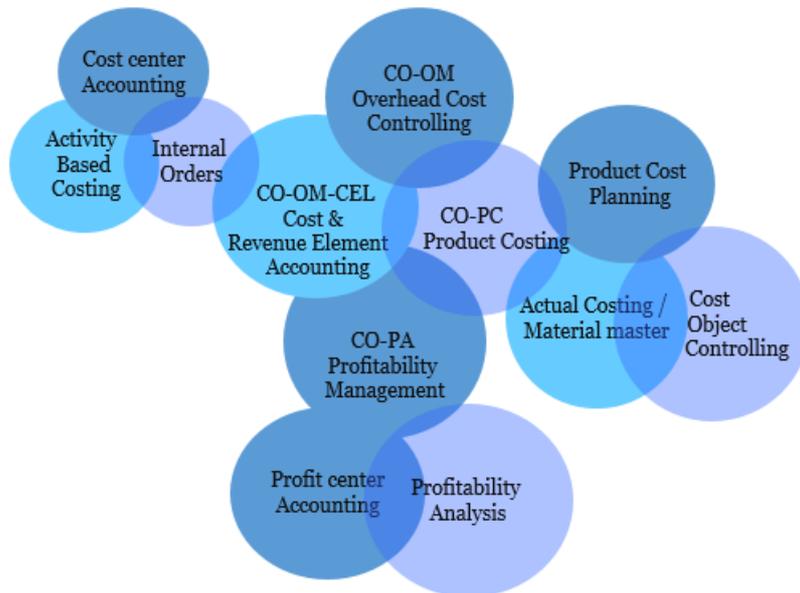
SAP Cost Center Accounting (SAP CO-CCA) Overview

What is SAP Cost Center Accounting (CCA)

SAP Cost center accounting is the important component of controlling module as it controls the costs that are incurred inside an organization. Cost center means the place where the costs are occurred. SAP CCA is used to track the costs as per organization departments wise. During creation of cost elements, you need to specify cost center category whether it is a production department or service department or Sales department.

- *The main objective of cost center accounting is to plan, analysis costs and prepare the variance analysis report.*
- When you create SAP cost center accounting, you need to specify cost center standard hierarchy and each cost center is assigned to a cost center hierarchy and profit center
- To view cost centers data in SAP system at a time, you need to create cost center group and assign a respective cost centers.
- During month end activities we allocate service department coasts to production departments.

Important components of SAP CO



SAP Cost Center accounting (CCA) configuration

Cost center accounting can be divided in to three master records

1. Cost center configuration
2. Activity type configuration
3. Statistical key figure configuration

The important configuration steps of cost center accounting (CO CCA) in SAP are

- Creation of cost center

- Creation of cost elements
- Cost center categories
- Cost center hierarchy
- Cost center group
- Set planner profile
- Cost center planning
- Cost center accounting planned documents
- Plan distribution cycle.

Cost Center: – It is an organization unit within a controlling area that represents a defined location of costs occurrence.

Cost Center Category: – It is an indicator in the cost center master record that identifies the activities and performance of a cost center. SAP system delivers with standard categories like administration, production, logistics, marketing, development, etc.

Standard Hierarchy: – It is a tree like a hierarchy structure that groups all the cost centers ([Company codes](#) that belongs to one [SAP controlling area](#)).

Conclusion: – The implementation of cost center accounting in SAP is mandatory as it deals with the allocation of costs from one cost center to another cost center in controlling area.

SAP CO

‣ SAP CO Tutorial

Basic SAP CO Settings

‣ Maintain controlling area

‣ Assign Company code to controlling area

‣ Define number range interval for SAP co documents

‣ Maintain Versions

SAP CO Cost Center Accounting

‣ What is SAP Cost center accounting

‣ Create Cost center

‣ What is cost element accounting

‣ Create primart cost elements

‣ Create cost element group

‣ Create secondary cost elements in SAP

‣ Activate cost center accounting

‣ Define cost center categories

‣ Define cost center standard hierarchy

SAP CO Profit Center Accounting

‣ Create dummy profit center

‣ Define profit center group

‣ Maintain Profit center standard hierarchy

SAP CO cost element Accounting

SAP CO Internal Orders

SAP CO Profitability Analysis

SAP CO Reports, Tables

SAP TCodes

‣ SAP TCodes

‣ SAP CO TCodes