

- **Postings From Other Modules**
- **Statistical and Real Postings**

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FI Data Entry:

Line item 001

- G/L Account 420000 (P&L)

- Amount

- Controlling Object Line item 002

- G/L Account 113100 (Bal. Sheet)

- Amount

FI Document # 1200000089

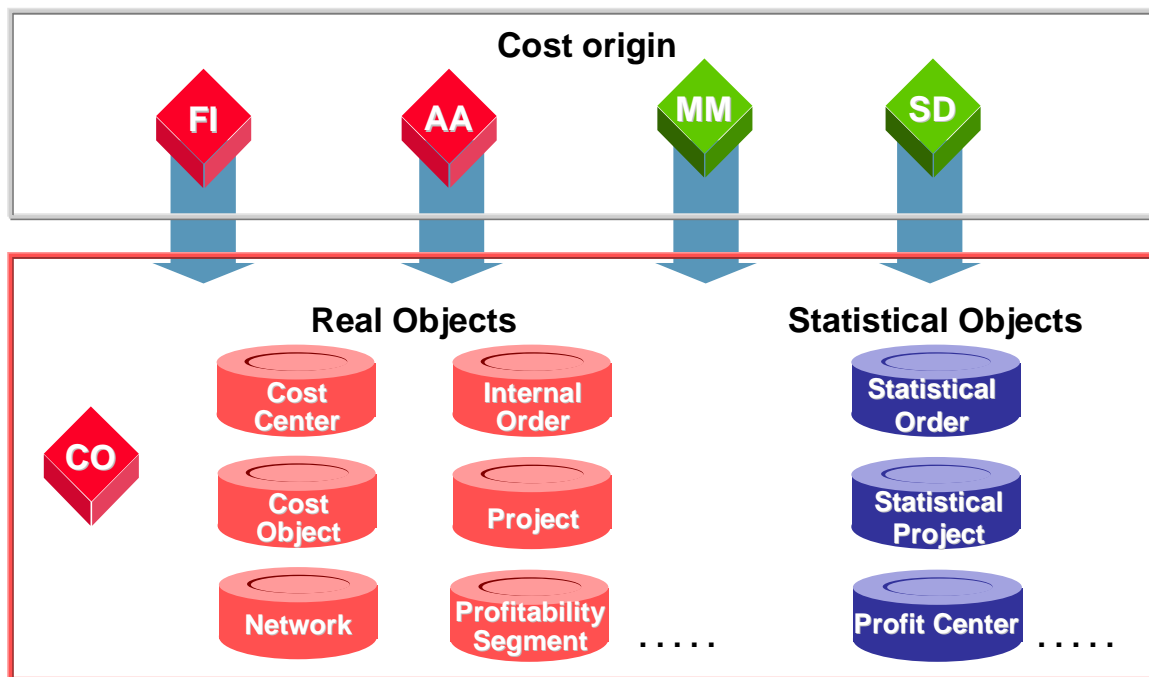
G/L Account (P&L) 420000	G/L Account (Bal. Sheet) 113100
Amount	Amount

CO Document # 1000000009

Controlling Object

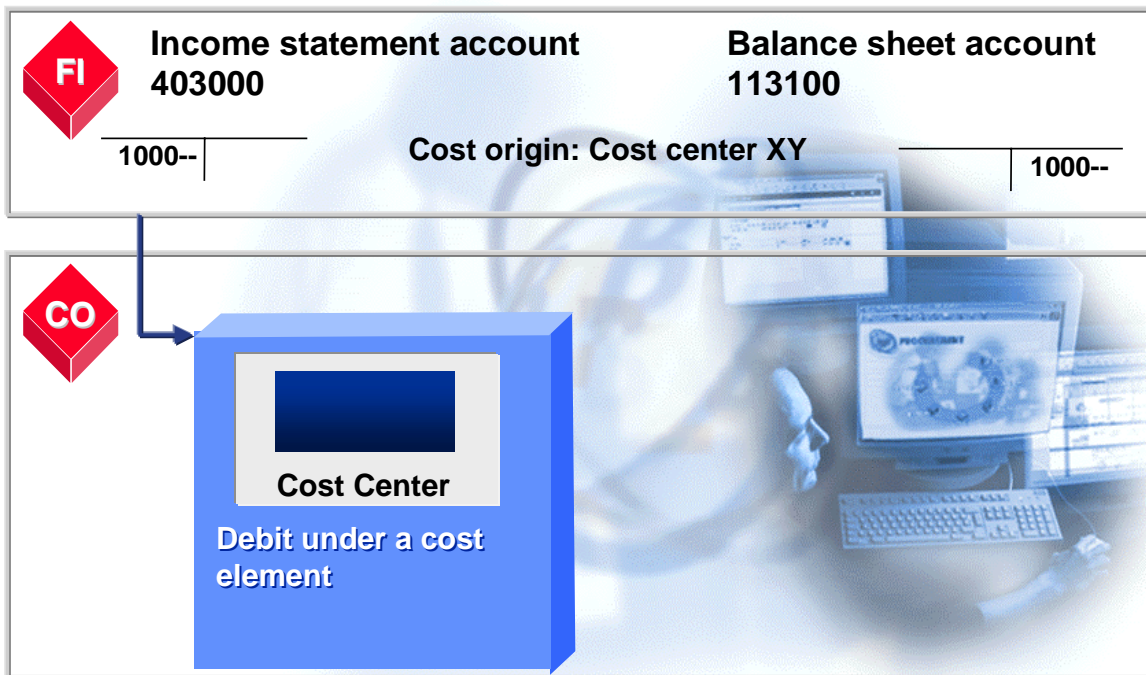
Cost Element (420000)	Amount

- When an FI document is created that posts to an expense (or revenue) account having a corresponding cost element, and a valid controlling object (such as a cost center) is identified for the expense line item, a controlling document is also created.
- This CO document has its own unique number and contains the following details:
 - controlling object posted to
 - the cost element used
 - the amount
- In the above example, the FI document debited a P&L account and credited a Balance Sheet account. The CO document debited the controlling object (using the corresponding primary cost element of the same number). Note that there is no corresponding credit entry in the CO document.
- When a primary cost is initially posted into CO, it is treated as a one-sided journal entry, unlike a traditional balanced financial accounting journal entry. (Note that as any subsequent cost movements occur within CO, the transactions creating these cost flows are balanced entries. When a cost is moved from one controlling object to another, such as from one cost center to another, the sending object is credited, and the receiving object is debited for the same amount.)



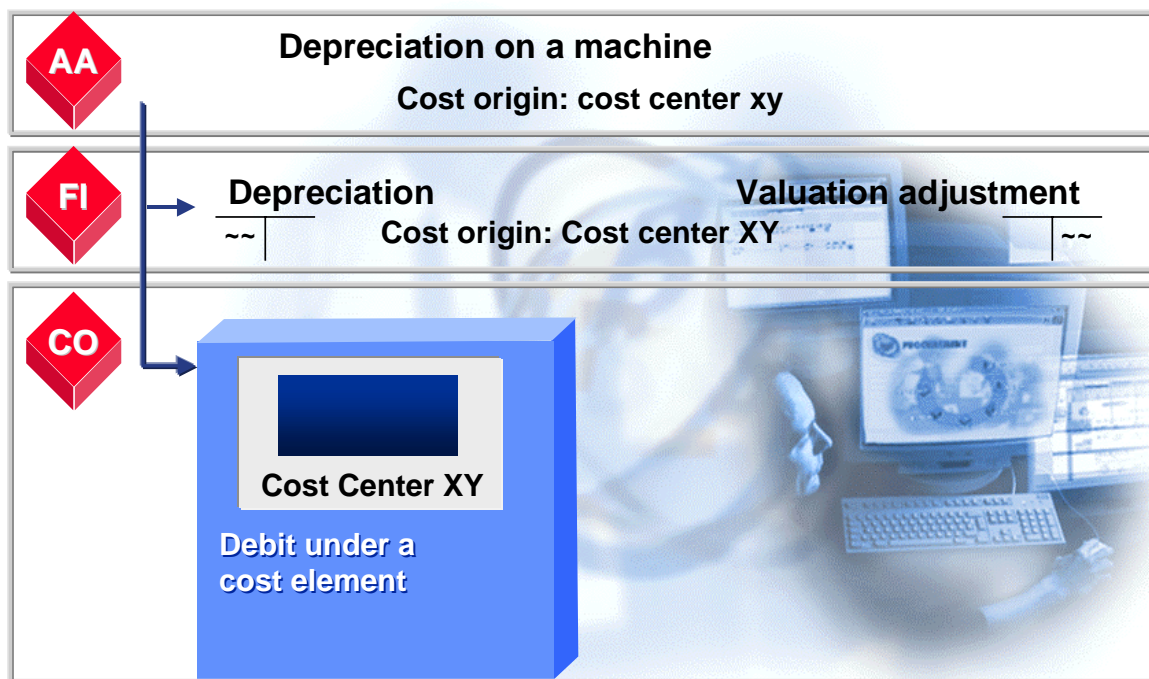
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- Postings of costs and revenues to CO can result in real and statistical postings:
 - Real postings can be allocated or settled to other controlling objects.
 - Statistical postings are for informational purposes only.
- Generally, the account assignment object determines whether the posting is real or statistical. That is, the account assignment object is itself either a real or a statistical object. For example, an overhead order is defined as real or statistical when it is created. A real order takes only real postings, and a statistical order only statistical postings. The exception to this rule is the cost center. A cost center, which is always a real object, may take both real and statistical postings.
- To accomplish a CO cost posting, you must identify the appropriate real CO account assignment object in the source document (such as an FI journal entry, etc.). Only one real object is permitted for each line item in the source document. Additional statistical objects can be entered or derived by the system.
- A profit center is always posted to statistically.
- Real objects may serve as senders or receivers during cost allocation. Real Controlling objects include the following: Cost centers (for account assignment of costs), Internal orders (real), Projects (real), Networks, Make to order production orders, Cost objects, Profitability segments
- Statistical objects cannot allocate costs to other objects. You can make statistical account assignments to any number of Controlling objects. Statistical Controlling objects include the following: Statistical orders, Statistical projects, Profit centers



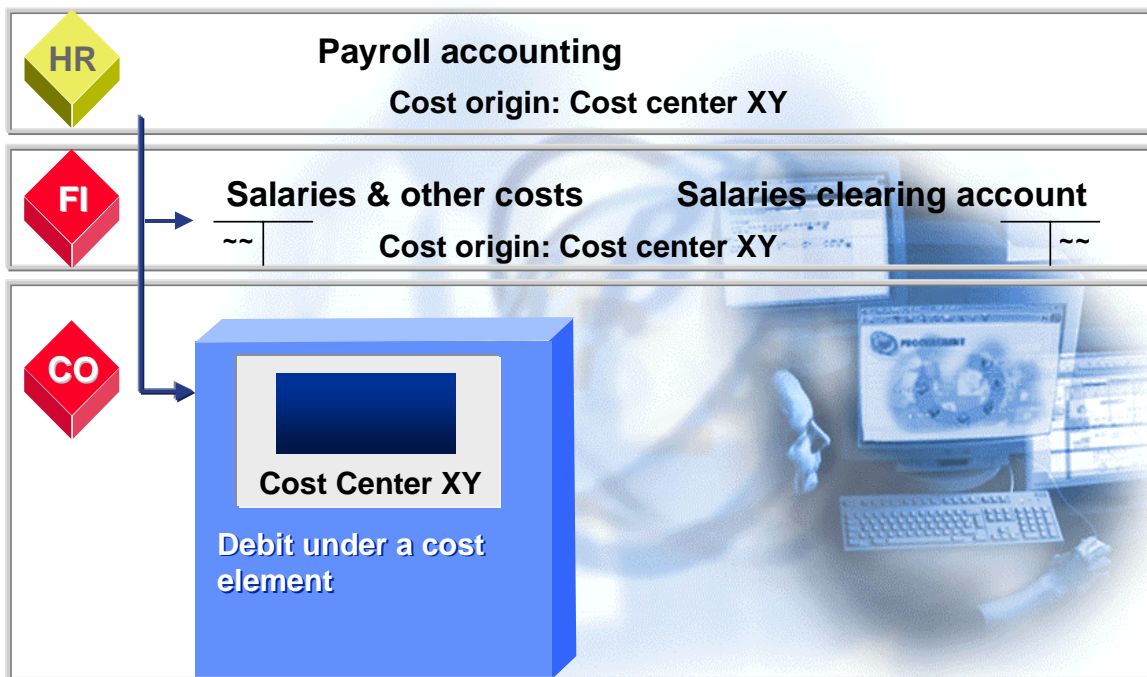
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- When a journal entry is created in FI that includes an expense line item, that expense can be posted to CO as a cost if:
 - a primary cost element has been created in CO that corresponds to the expense account used in the FI journal entry, and
 - a valid cost center is referenced in the FI line item.
- As a result, two separate documents are created: both an FI document as well as a CO document. Each document has a unique document number, and it is possible to drill down in either document to link to the other.



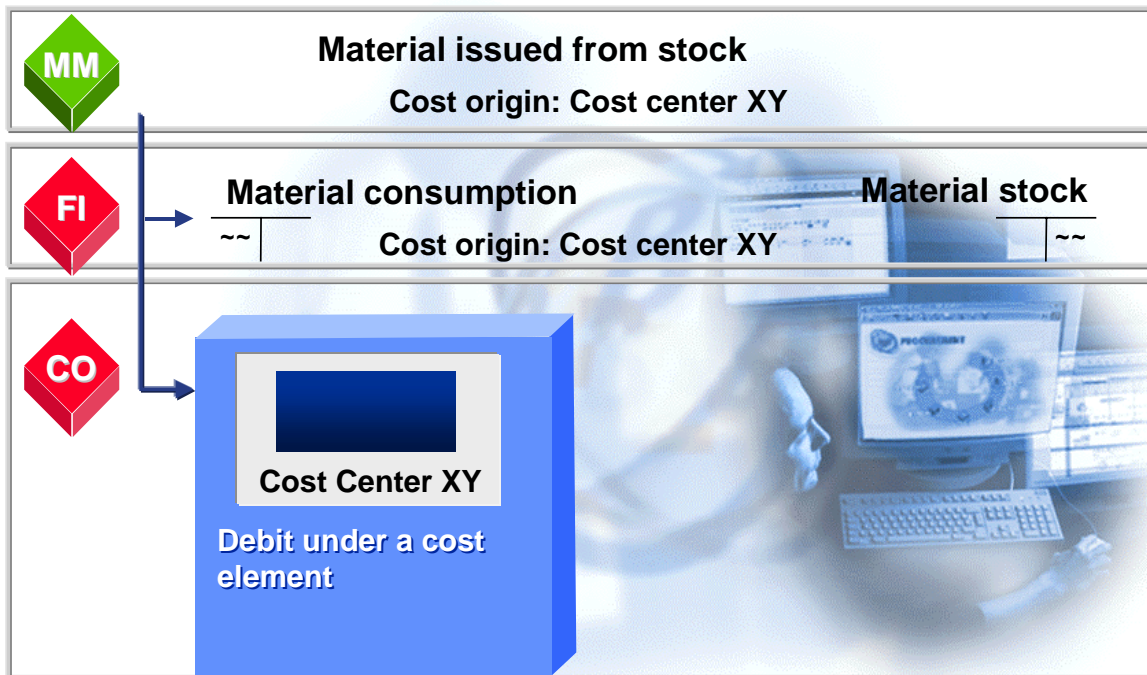
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- If Asset Accounting initiates a transaction in FI that affects a P&L account for which a primary cost element has been created, a CO posting will also be created.
- An asset master record has a cost center field that can be used to assign the asset to a cost center.
- Depreciation and interest expense postings are examples of AA-initiated transactions that could generate cost postings to CO.



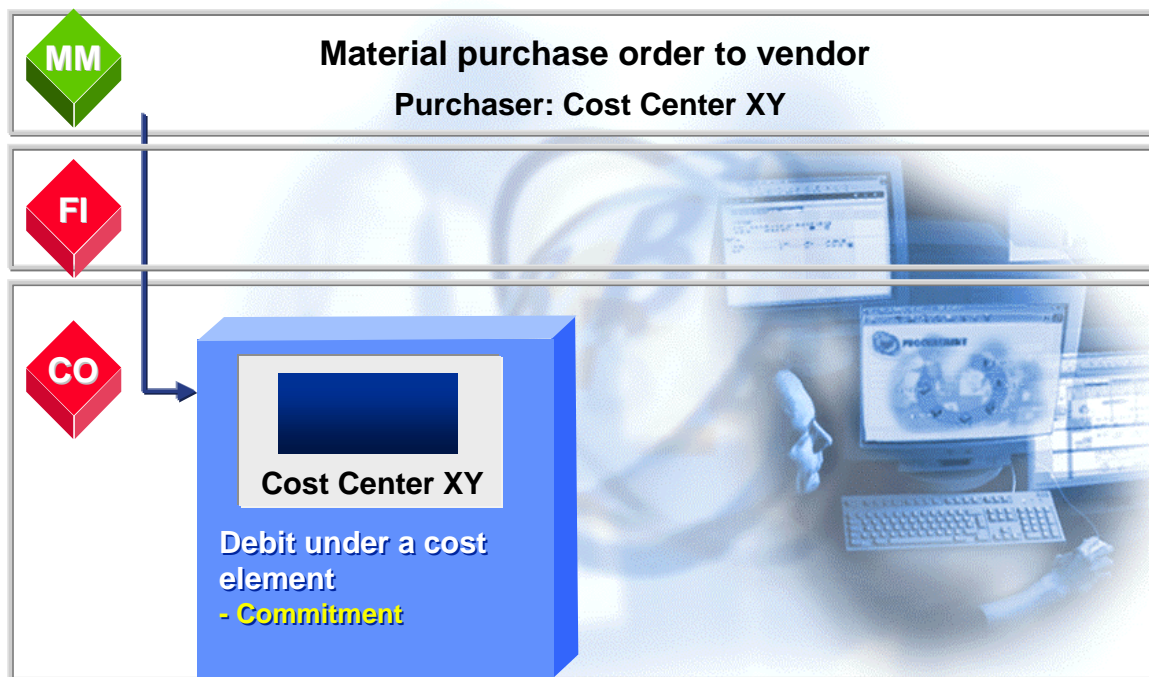
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- Payroll accounting in Human Resources calculates the amounts for the different salaries and related costs, and records them in a session.
- When you process the session, the system generates FI postings and also posts the costs to the cost centers to which the employees are assigned.
- If you prefer, you can charge all the costs to a clearing or collecting cost center and then use CO tools to distribute or transfer them to the actual cost centers.
- Employee master data in HR can be assigned to infotypes. The infotype determines the company code, personnel area, and personnel subarea to which the employee is assigned. For example, Infotype 0001 Organizational Assignment enables you to determine the cost center to which personnel costs are debited, and to assign your employee to a business area.



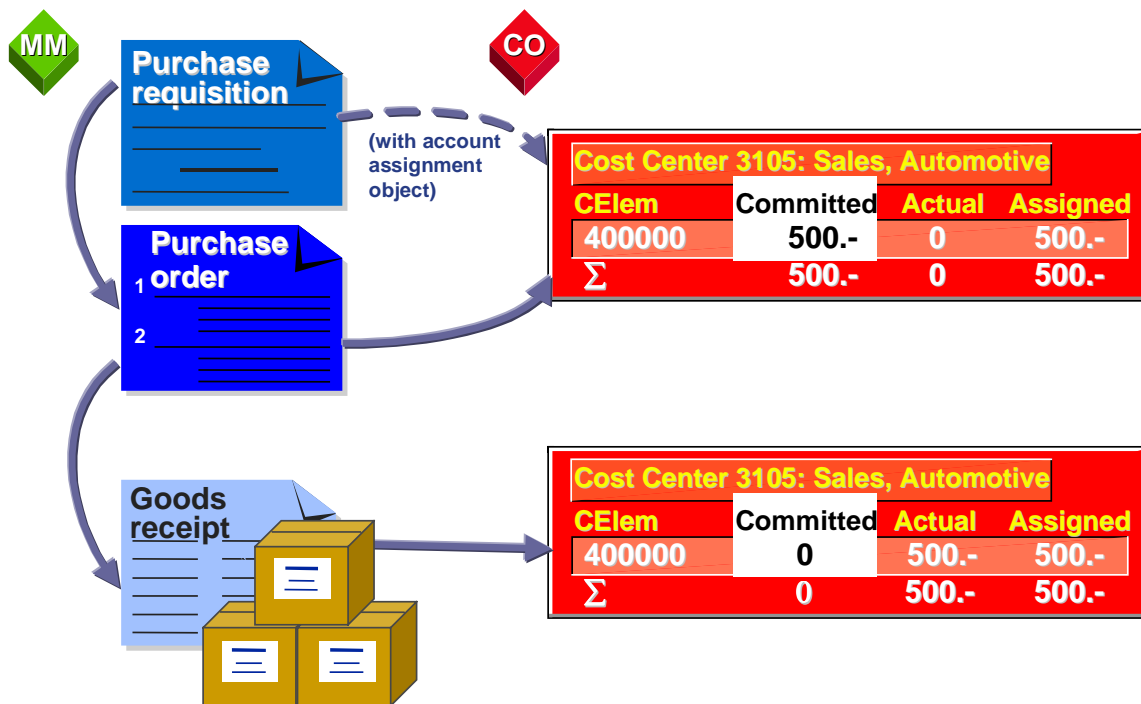
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- **Goods issue** transactions posted in the Material Management component can be assigned to a cost center. An example could be parts issued to an R & D cost center for constructing a product prototype.
- From the aspect of the cost center, this type of transaction is called material consumption. When you enter a goods issue in the system, you must enter a **movement type** to differentiate between the various categories of goods movements. A movement type is an identification key which has important control functions in Inventory Management, such as updating stock and consumption accounts.
- A goods issue to a cost center creates an FI transaction that debits a material consumption expense account and credits a material stock (inventory) account. The cost center is debited with the value of the goods issued using a primary cost element.



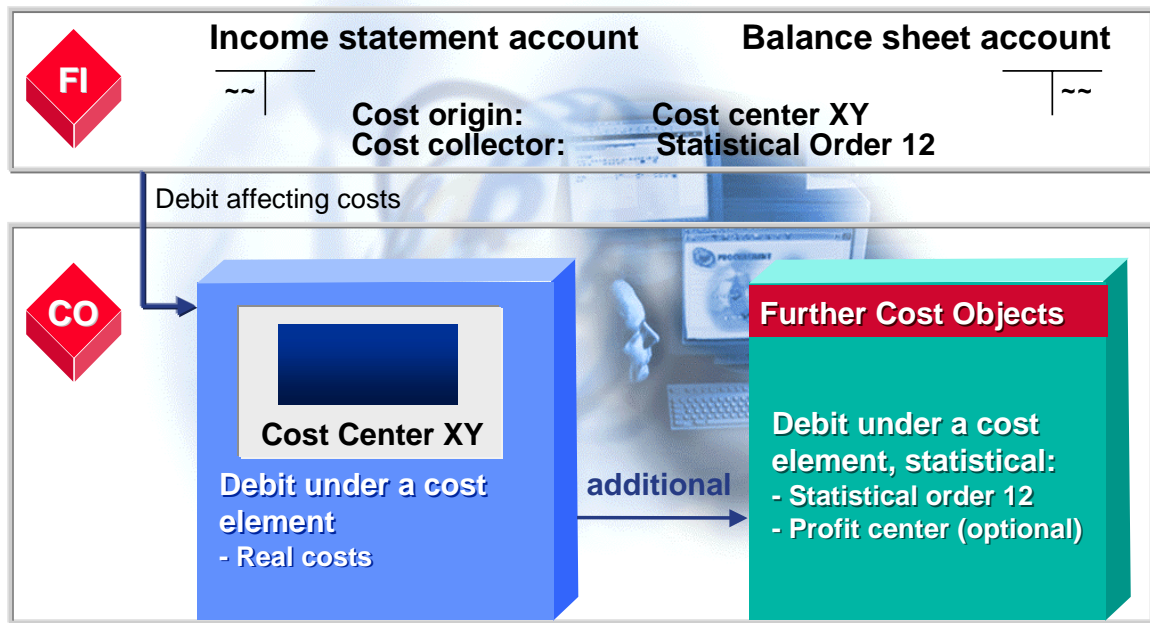
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- A purchase order is a formal request from a purchasing organization to a vendor or a plant to supply or provide a certain quantity of goods or services at or by a certain point in time. A purchase order does not create an entry in FI. Each item in a purchase order can be assigned to a separate cost center (or other controlling object).
- Once posted, the purchase order record creates a “commitment” line item for the cost center entered on the purchase order item. The Information System can report on outstanding commitments for a given cost center.
- Subsequently, when the actual costs are incurred (such as when the ordered goods are delivered), the R/3 System clears the commitment and posts the actual costs.



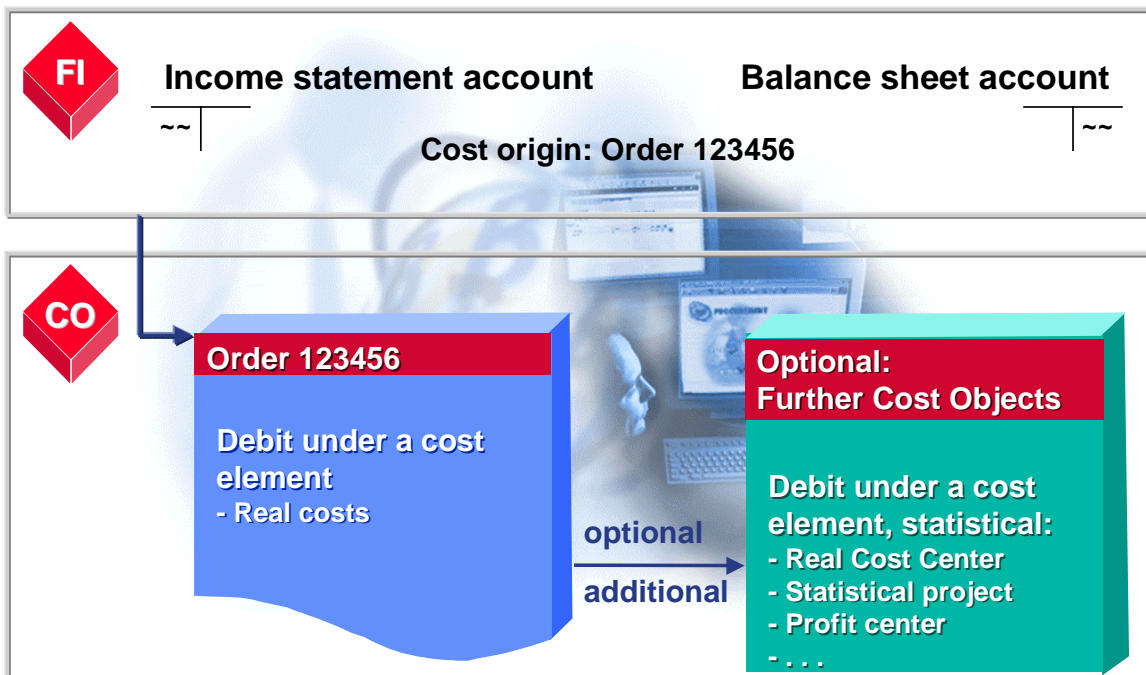
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- Commitments for costs to be incurred in the future are initiated in the Purchasing function of the Materials Management component as follows:
 - A **purchase requisition** is an internal communication of a procurement requirement (from the requestor to the buyer). A purchase requisition represents a provisional commitment, which can be changed at any time. You are not required to assign a CO object on a purchase requisition line; but if you do not, no commitment will be reflected in CO.
 - A **purchase order** is a contractual agreement to purchase goods or services from a vendor according to agreed conditions. A purchase order represents a firm commitment since it is based on a contractual obligation. For a purchase order item charged to a cost element, you **are** required to specify a controlling object; therefore, a commitment **will** be reflected in CO.
- When you create a purchase order with reference to a purchase requisition, the commitment will be reclassified in CO.
- Processing goods receipts against the purchase order reduces the commitment, and actual costs are posted to the controlling object. This process continues until the purchase order is closed and the commitment is reduced to zero.
- You must activate Commitment Management in CO by controlling area.



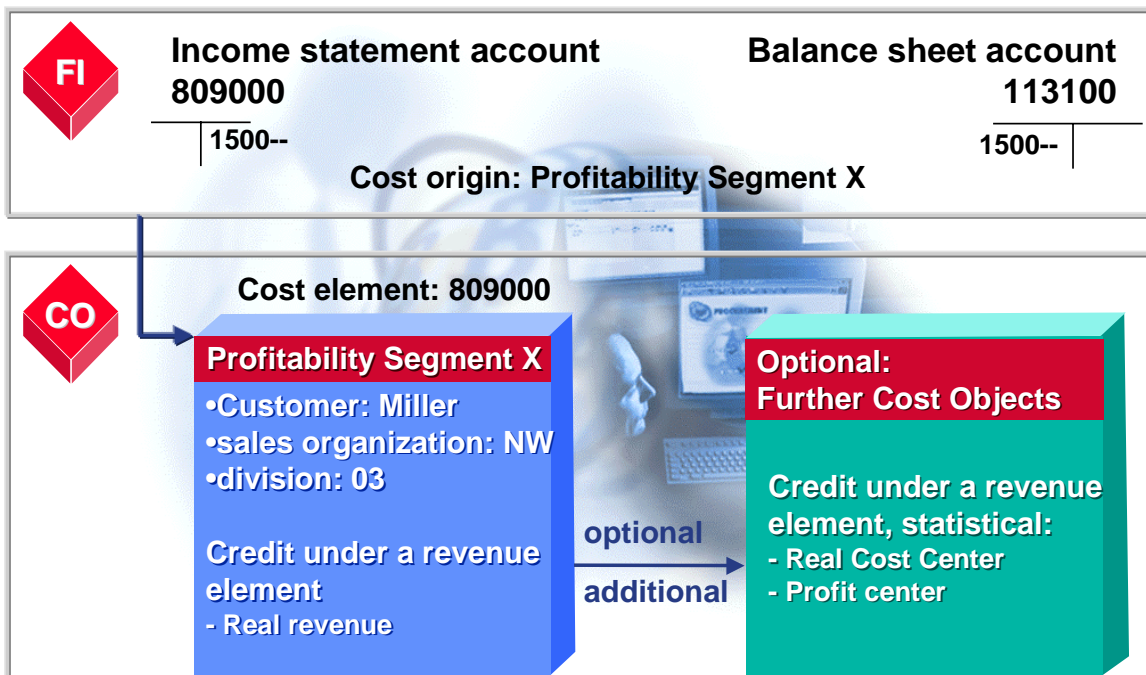
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- Statistical orders are typically used to evaluate costs which cannot be itemized in detail in cost center accounting.
- In this example, the FI document assigns the cost posting to both a cost center and a statistical internal order. The costs will then appear under the original cost element both on the cost center (real costs) and on the order (statistical, for information purposes only).
- Example: Statistical orders could be created for individual trucks monitored in a motor pool cost center. Cost postings could be assigned to both the relevant order and the cost center. The real cost postings are accumulated on the cost center for the entire motor pool, whereas the individual orders retain the detail cost information for each vehicle.
- Unlike real internal orders, you can neither settle statistical orders, nor apply overhead to them.



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- In this example, the internal order is entered in the FI document as the account assignment object. The internal order is apparently a real object, which means that the cost posting is a real posting.
- If the FI document were to also specify a cost center as an account assignment object, the cost center would be updated statistically. When a real internal order and a cost center are both specified in the source document line item, the real posting is directed to the order, and statistical postings are recorded for the cost center and profit center.



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- In this example, there is a revenue posting to FI. If there is a primary cost element of type 11 (revenues) that corresponds to the revenue account, then the revenue will post to the appropriate profitability segment in CO-PA.
- Real revenues can be posted only to a profitability segment, customer order, customer project, or revenue order. As with cost postings, revenue postings to profit centers are statistical.
- Additionally, revenues can be entered statistically on cost centers