

KA06 - Create Secondary Cost Element

Functionality

Secondary cost element is used in controlling for the purpose of allocation of cost from one cost object (cost center) to another cost object. Secondary cost element as such are not created as General ledger code in FI.

Secondary cost elements are generally created under class 9 accounts. Means all the secondary cost elements start with 9. E.g. Secondary cost element are in between 900000 – 999999.

Secondary cost elements are of the following categories:-

- 21 – Internal Settlement
- 31 – Order/Project Result Analysis
- 41 - Overheads
- 42 – Assessment
- 43 – Internal activity allocation

These categories are very important. Overhead cost element should be created with the cost element category 41 only. A Secondary cost element which is required in the assessment cycle should be created with category 42 only. Secondary cost element which needs to be attached to the activity type should be created with the cost element category 43 only.

Scenario

This transaction code is used to create a secondary cost element in the controlling area. We want to create a secondary cost element which is required to be attached to the activity type.

Requirements

Controlling area is created

Menu Path	Accounting → Controlling → Cost Element Accounting → Master Data → Cost Element → Individual Processing → KA06 - Create Secondary Cost Element
Transaction Code	KA06

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1. Double Click on **KA06 - Create Secondary Cost Element**

Create Cost Element: Initial screen

2. Update the following fields:

Field Name	Field Description	Values
Cost element	Number of the Cost element.	943202
Valid from	Date indicating as of when an entry is valid.	01.01.2006
To	Date indicating up to when an entry is valid.	31.12.9999

3. Click **Master data** Button .

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Create Cost Element: Basic screen

The screenshot displays the SAP 'Create Cost Element: Basic Screen' interface. At the top, there is a menu bar with options like 'Cost Element', 'Edit', 'Goto', 'Extras', 'Environment', 'System', and 'Help'. Below the menu bar, the title 'Create Cost Element: Basic Screen' is visible. The main area contains several input fields: 'Cost Element' (943202), 'Controlling Area' (9100), and 'Valid From' (01.01.2006 to 31.12.9999). A pop-up window is open, showing 'Names' and 'Basic data' tabs. The 'Names' tab has 'Name' (Labour hours) and 'Description' (Labour hours). The 'Basic data' tab has 'CElem category' (43, Internal activity allocation), 'Attribute mix', and 'Functional Area'.

4. Update the following fields:

Field Name	Field Description	Values
Name	General description of the object.	Labour hours
Description	The cost element description is used for online displays and evaluations which have sufficient space.	Labour hours
CElem Category	Cost element category	43

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5. Click <tab button> **Indicators** .

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Create Cost Element: Indicator

The screenshot shows the SAP 'Create Cost Element: Indicator' dialog box. The title bar includes 'Cost Element', 'Edit', 'Goto', 'Extras', 'Environment', 'System', and 'Help'. The SAP logo is visible in the top right corner. The main content area displays the following data:

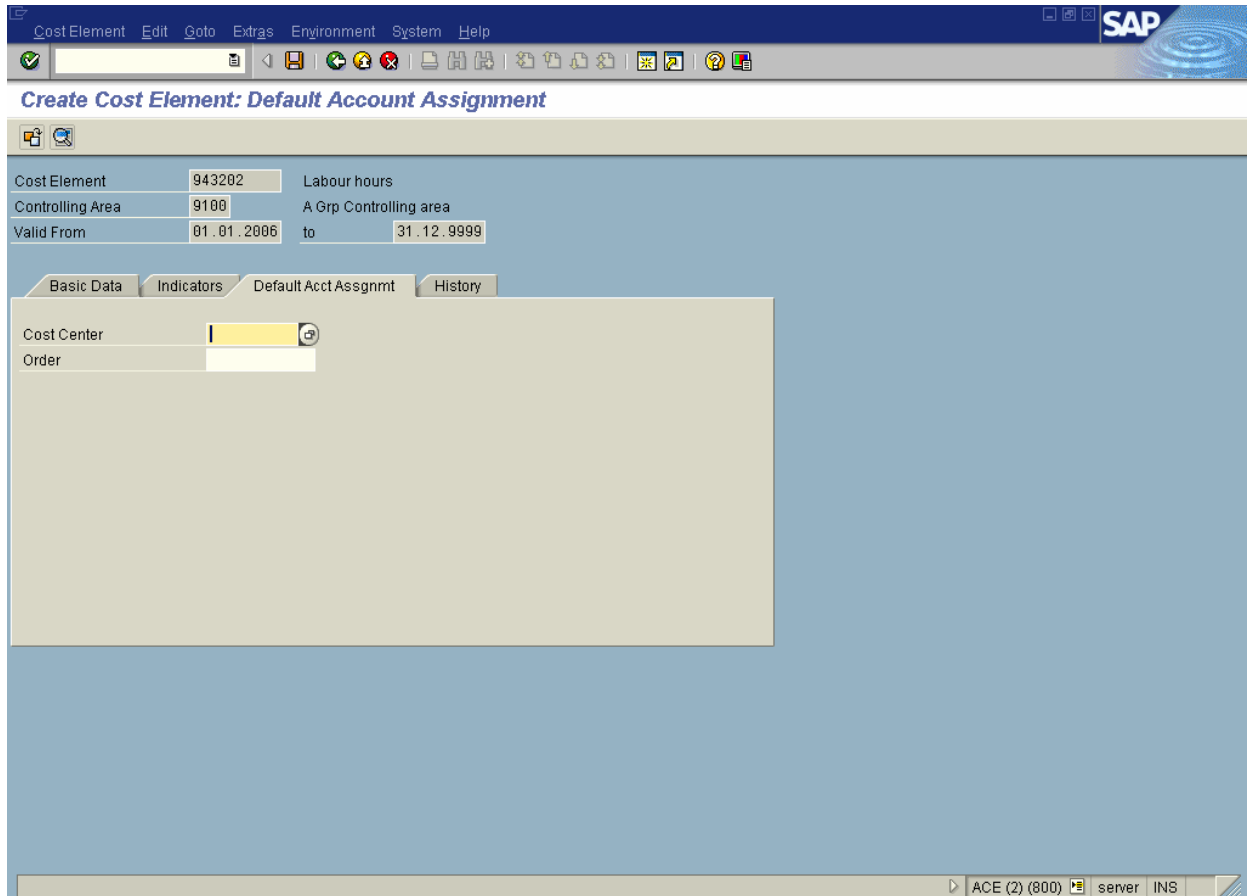
Cost Element	943202	Labour hours
Controlling Area	9100	A Grp Controlling area
Valid From	01.01.2006	to 31.12.9999

Below the data, there are four tabs: 'Basic Data', 'Indicators', 'Default Acct Assgnmt', and 'History'. The 'Indicators' tab is active, showing a 'Consumption quantities' section with a checkbox for 'Record qty' (unchecked) and a 'Unit of Measure' field set to 'H'.

The status bar at the bottom right shows 'ACE (2) (800) server INS'.

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Create Cost Element: Default account assignment



The screenshot shows the SAP 'Create Cost Element: Default Account Assignment' interface. The top menu bar includes 'Cost Element', 'Edit', 'Goto', 'Extras', 'Environment', 'System', and 'Help'. The title bar displays 'SAP'. The main window title is 'Create Cost Element: Default Account Assignment'. Below the title bar, there are four tabs: 'Basic Data', 'Indicators', 'Default Acct Assgnmt', and 'History'. The 'Default Acct Assgnmt' tab is active. The form contains the following fields:

Cost Element	943202	Labour hours
Controlling Area	9100	A Grp Controlling area
Valid From	01.01.2006	to 31.12.9999

Below the tabs, there are two input fields: 'Cost Center' (with a dropdown arrow) and 'Order'.

The status bar at the bottom right shows 'ACE (2) (800) server INS'.

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Create Cost Element: History

The screenshot shows the SAP 'Create Cost Element: History' dialog box. The title bar includes 'Cost Element', 'Edit', 'Goto', 'Extras', 'Environment', 'System', and 'Help'. The main content area is divided into several sections:

- Cost Element:** 943202 (Labour hours)
- Controlling Area:** 9100 (A Grp Controlling area)
- Valid From:** 01.01.2006 to 31.12.9999

Below these fields are four tabs: 'Basic Data', 'Indicators', 'Default Acct Assgnmt', and 'History'. The 'History' tab is active, showing:

- Created by:** SAPUSER
- on:** 07.02.2006
- Change document:** (button)

The status bar at the bottom right shows 'ACE (2) (800) server INS'.

6. Click **Save** 