



**COLLABORATE19**

TECHNOLOGY AND APPLICATIONS FORUM  
FOR THE ORACLE COMMUNITY

# Cloud Costing Comparison and Setup

## How Does Oracle Cloud Costing Stack Up Against Oracle EBS Costing?

*Remember to complete your evaluation for this session within the app!*

**Session ID:**  
**10736**

**Prepared by:**

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April 9, 2019

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**#C19TX**

## Acknowledgements

- ❑ Want to thank Viziya Corporation for allowing me to participate and learn about Cloud Costing on one of the very first Cloud Maintenance projects
- ❑ And especially thank Wes Holmes and John Rachuna from Viziya Corporation, whose Cloud insights and assistance were especially valuable, along with The Wonderful Company Maintenance EAM client lead, Bob Kazar
- ❑ Also the Oracle Fusion Development team for their timely answers about using Cloud Subledger Accounting with Cost Management
- ❑ For more information about Viziya Corporation and their Oracle Cloud and EBS Maintenance solutions, please go to <https://www.viziya.com/services/oracle-eam-services/>

# Doug Volz

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## □ Professional Summary

- 35+ years industry, design and consulting and “firefighting” experience
- Specializing in Cost Management business solutions
- Recognized by Industry Peers with numerous OAUG awards:
  - 2014 OAUG Member of the Year, 2018 Presenter of the Year, 2018 Special Interest Group of the Year
- Co-designed Oracle Cost Management at Oracle
- Implementations with international consulting firms, in twelve countries
- Led the Oracle Applications User Group for Cost Management since 2007
- Presenter at Collaborate (OAUG) and UKOUG since 1996
- Prior industry positions for General and Cost Accounting management

## □ Business Solutions



- Change cost methods
- Inventory reconciliation
- Profit in inventory
- Intercompany
- A/P accruals
- Fix system account setups
- Multi-org cost accounting reports
- Product Line & Margin analysis
- Cost Rollup and Update
- Cost accounting training

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*Helping people use Oracle since 1990*



## Solutions You Can Use

- <https://www.oatug.org/education-events/knowledge>
- <http://www.volzconsulting.com/resources.html>



**Over 30  
Presentations!**

**A/P Accruals:** OAUG/Collaborate & UKOUG

- 1996/2007/2008: (R11i) How to Setup, Use and Balance Your A/P Accrual Accounts
- 2011: A/P Accruals for Release 12 (OAUG Cost Management SIG)

**Cost Management & SLA:** OAUG/Collaborate & UKOUG

- 2009: Cost Accounting As You Want It — EBS R12 Cost Accounting with SLA
- 2013: Subledger Accounting for Discrete & EAM Cost Accounting: Product Line and Expense Accounting Made Easy
- 2014: How to Create Shipping Burdens for Oracle Cost Management, in Spite of Subledger Accounting

**Changing Cost Methods:** OAUG/Collaborate

- 2016: Who Said Changing Cost Methods With Discrete Costing Can't be Done?

**Discrete & Process Cost Accounting Integration:** OAUG/Collaborate

- 2015: We Can Create Combined Oracle Cost Accounting Reports for Both Discrete and Process MFG!

**Inventory Reconciliation:** OAUG/Collaborate & UKOUG

- 2010: Can We Actually Reconcile Project MFG to Inventory, WIP, Projects & G/L? What Was I Thinking?
- 2011: 60 Inventory Orgs? 6 Ledgers? No Worries, Reconcile Your Inventory With Ease!
- 2014: Reconcile Your Inventory to G/L Balances With Ease, From 1 to 1,000 Inventory Organizations!
- 2017: Managing Oracle EBS Reconciliation in Manufacturing and Distribution Organizations

**Period Close:** OAUG/Collaborate & UKOUG

- 2016: How to Manage the Inventory and Manufacturing Period Close and Remain Sane...

**Profit in Inventory Solutions:** OAUG/Collaborate

- 2010: Does Rel. 12 Solve Global Inter-Company Issues for Multiple Ledgers, Profit in Inventory and COGS?
- 2018: INTL: Cloud and EBS Costing, You Can Track & Eliminate Profit in Inventory (And Still Have a Life!)

**Transaction Interfaces for Period Close:** OAUG/Collaborate

- 2012: Egads! How in the Dickens Do I Handle Those Month-End Interfaces? (And Why Can't I Close My Books)



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## Learning Points

- ❑ Did Cloud Costing Really Change?
- ❑ What is New and What is the Same?
- ❑ Compare Oracle EBS to Cloud Costing
- ❑ Learn about the Setup Steps

# Agenda

## □ Cost Setups

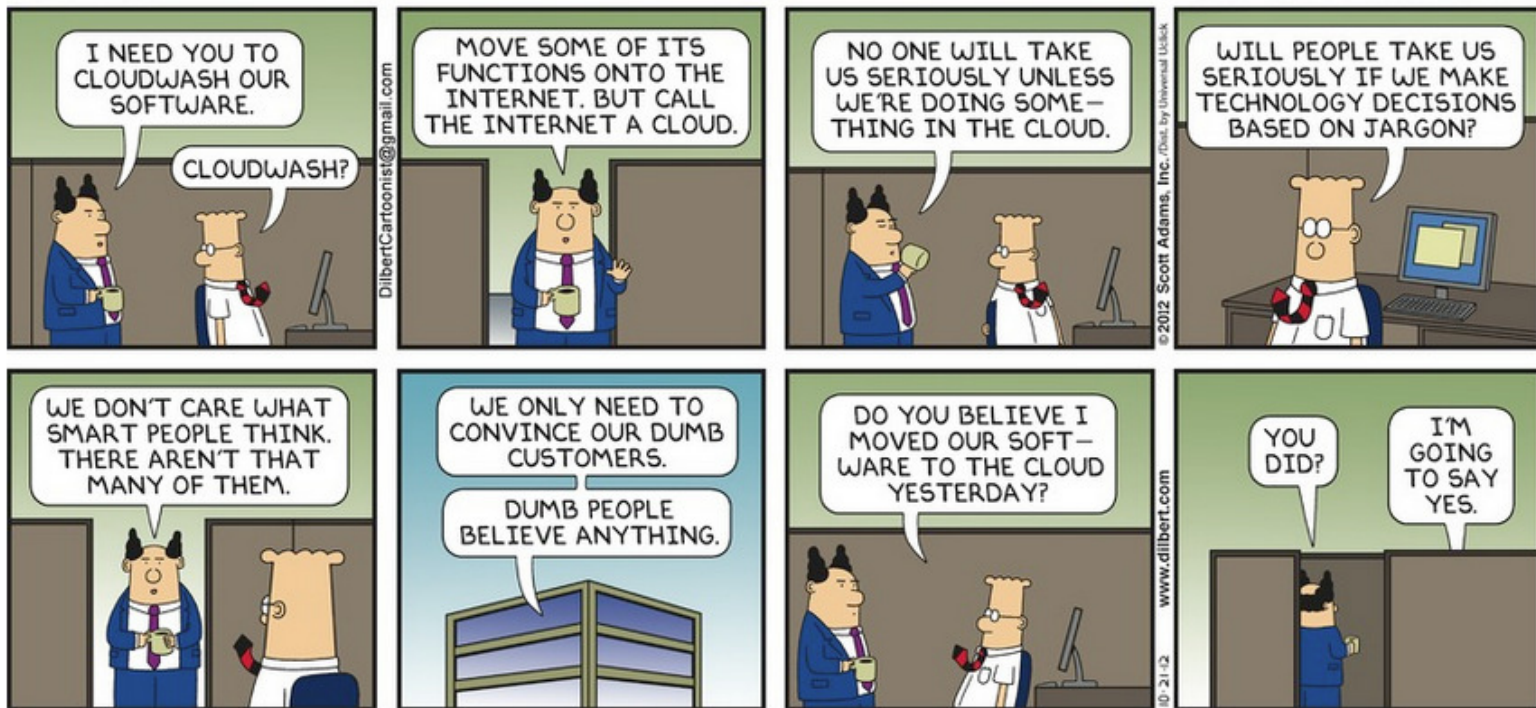
- Compare Oracle EBS with Oracle Cloud Costing
- Cost Organizations
- Cost Org Data Access
- Cost Books and Cost Org Relationships
- Valuation Structure
- Cost Elements
- Cost Component Mappings
- Cost Profiles
- Default Cost Profiles
- Item Cost Profiles
- Valuation Units
- Expense Pools
- Cost Scenarios



# What is the Cloud?

Sunday October 21, 2012

**DILBERT**



★★★★★  
**BY SCOTT ADAMS**





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## Cloud Costing Comparison and Setup:

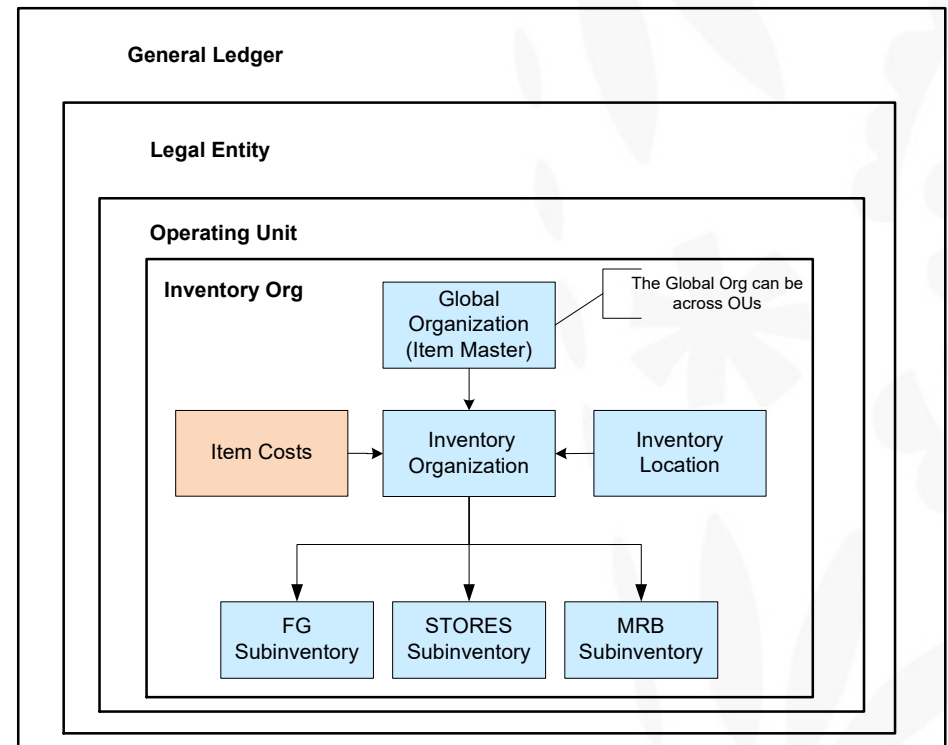
Compare Oracle EBS with  
Oracle Cloud Costing

# Oracle Cloud Costing Overview

## Costing by Inventory Organization

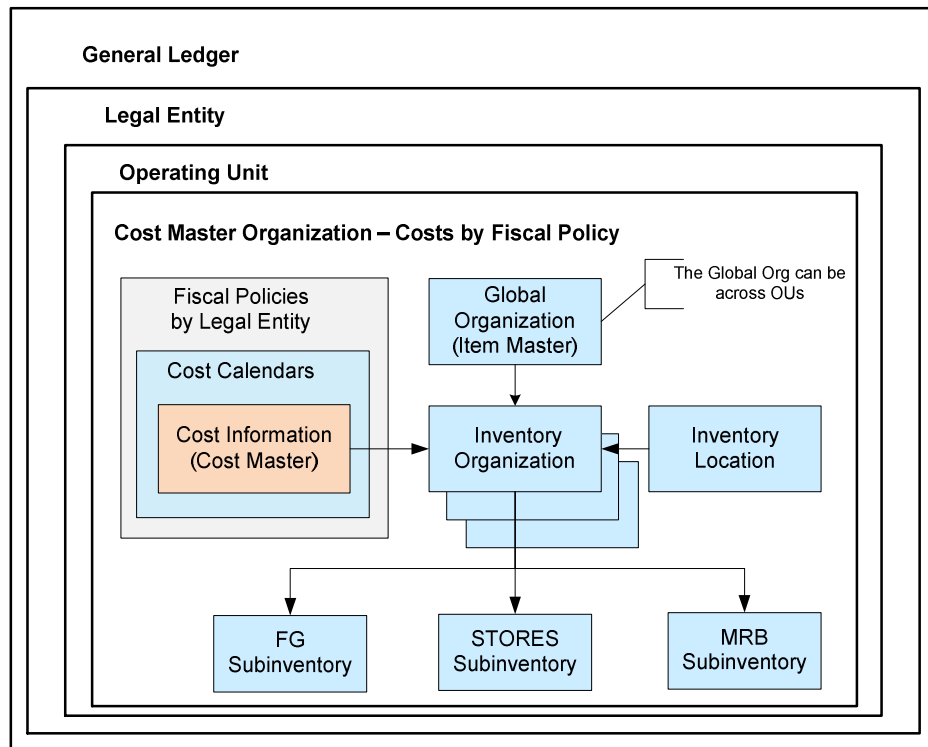
- Every org has its own Costing Method:
  - FIFO
  - LIFO
  - Average
  - Standard
  - Periodic
- Costs held by Cost Type
- Only Five Cost Elements
- Average/LIFO/FIFO use an AvgRates Cost Type for Resource & Overhead Rates

## R12 Discrete Costing

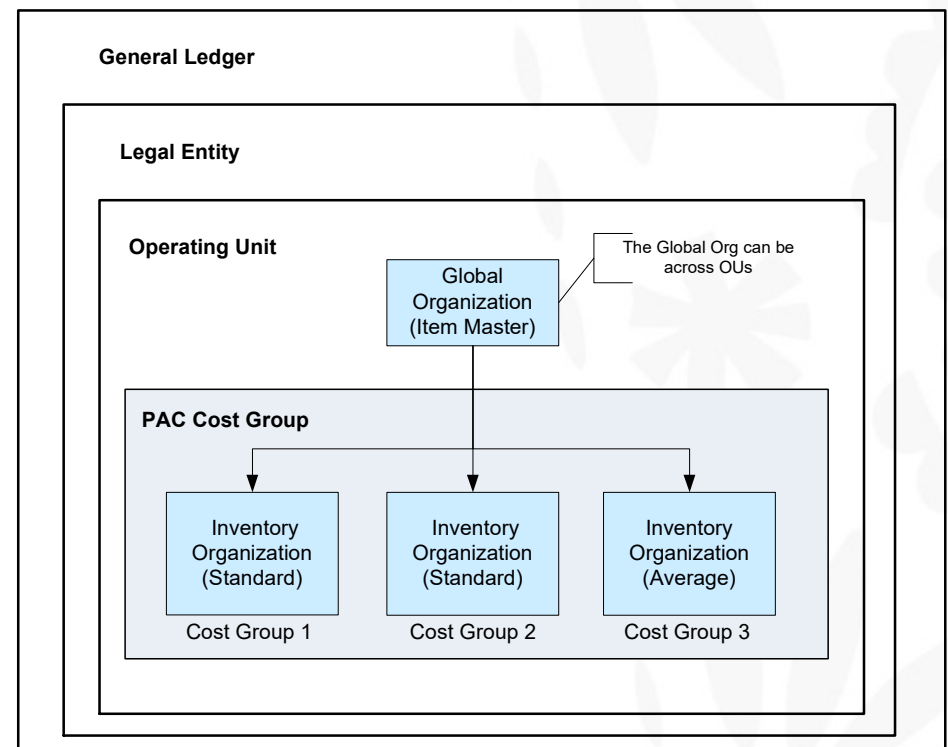


# Oracle Cloud Costing Overview (Continued)

## R12 Process Costing



## R12 Periodic Costing

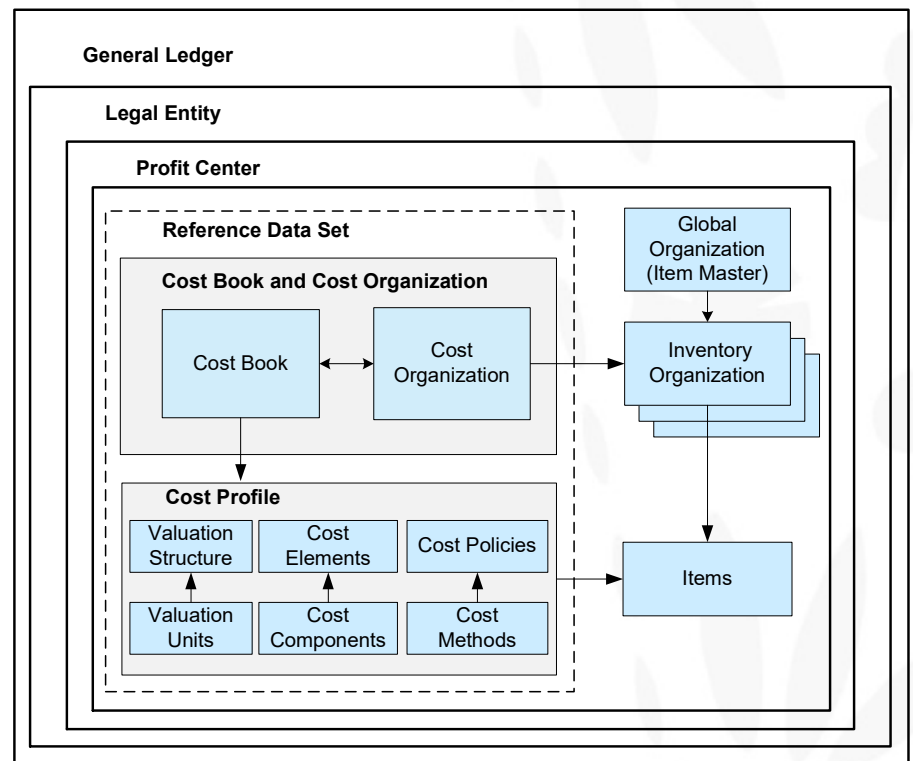


# Oracle Cloud Costing Overview (Continued)

## Costing by Inventory Item

- Every item has its own Costing Method
- Cloud Costing Methods:
  - Actual (FIFO)
  - Perpetual Average
  - Standard
- Labor (Resource) and Overhead Rates always at Standard
- Only supports Discrete Costing (Process Costing 2019 or 2020?)

## Cloud Costing – 18C



## Oracle Cloud Costing Overview (Continued)

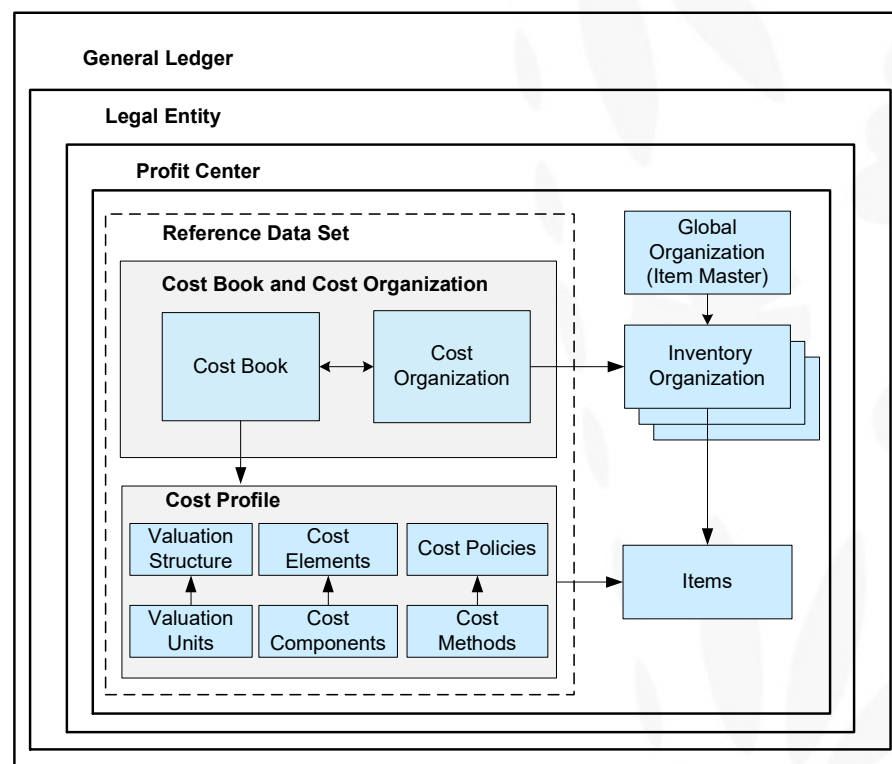
### Costing by Cost Organization

- One or more inventory organizations may share the same costs in a Cost Organization (similar to OPM Fiscal Policies)

### Costing by Cost Book

- May have multiple cost representations for your transactions
- Only one flows to each Primary Ledger
- Additional Cost Books for Secondary Ledgers or Cost Simulations

## Cloud Costing – 18C



## R12 Comparison to Cloud Costing

Cloud Costing	R12 - Discrete	R12-OPM	Description
Reference Data Sets	N/A	N/A	Grouping of common attributes or controls across modules, with seeded reference sets Common and Enterprise. In order to use a Reference Data Set it must be assigned to a User. Cost Profiles, Valuation Structures and Cost Elements are attached to Reference Data Sets.
Inventory Organization	Same	Same	Cloud inventory has one or more specially assigned non-transactional “Item Master” inventory orgs, as well as transactional inventory orgs. To be costed an Inventory Organization must belong to a Cost Organization.
Cost Organization	N/A	Cost Master	A grouping of inventory organizations. You can have one Cost Organization to Inventory Organization or Cost Organization to many Inventory Organizations. Or even have many Cost Organizations, but each having different Inventory Organizations.
Cost Book	N/A	N/A	A representation of your costs and costing results. One set of costs go to your G/L, while you may have other Cost Books in a different currency, or another one for management/Ops reporting (Lean Accounting or Value Stream Reporting for example). Cost Books are assigned to Cost Organizations, and allows you to specify whether Accounting entries will be created in the Cost Book and what type of Period-End Valuation controls you want to use.
Cost Method (Std, Avg, FIFO)	Std, Avg, LIFO, FIFO, Periodic	Standard, Average and Lot Costing	As of R13D (2017)/R18 (2018), with Cloud Costing you may use Standard, Average or Actual (FIFO) Cost Methods. Cloud Costing does not have Periodic Costing and currently does not support Process Costing.
Cost Scenario	Kinda like a Cost Type	Kinda like a Cost Type	Use this to set up your “AvgRates” labor (resource) and overhead rates, or, your standard costs labor, overhead and item costs. However, the Cost Scenario works very differently from Cost Types as once you “Update Standard Costs” or publish your costs, you <b>CANNOT REUSE THE COST SCENARIO</b> . It becomes un-editable, in fact you cannot see it in your list of values, for example, when trying to enter more labor (resource) rates. Very frustrating.

## R12 Comparison to Cloud Costing (Continued)

Cloud Costing	R12 - Discrete	R12-OPM	Description
Cost Profile	N/A	Fiscal Policy	Combination of your Valuation Structure, Cost Elements and Cost Policies. With Cloud Costing you set up your Cost Profile and either individually or by using the Default Cost Profiles, assign the Cost Profile directly to your items. Which means each item may have a different Costing Method.
Default Cost Profiles	N/A	N/A	There are separate Default Cost Profiles for Asset, Expense and Consigned items. And you can default by Inventory Organization or by Item Category.
Valuation Structure and Units	N/A	N/A	How granular you wish to record and track the item costs. In Cloud Costing you can cost your items by Cost Organization, Inventory Organizations, Subinventories, Grade, Lot or Serial. When you assign a Valuation Structure to specific costing entities (inventory orgs, subinventories, items, etc.) you are assigning the Valuation Unit to a Valuation Structure.
Cost Element	Only five	Only five	For Cloud Costing, item costs are by Cost Element, but, the inventory, WIP, receipt and COGS accounting entries are <b>NOT</b> recorded by Cost Element. Cloud Costing has five Cost Element Types: Material, Overhead, Resource, Adjustment and Profit in Inventory and you can set up any number of Cost Elements.
Cost Policies	N/A	N/A	Combination of your Costing Method, Costing Unit of Measure, and policies for handling negative inventory, partial completions and scrap.
Analysis Groups	N/A	Similar	Cloud Costing uses these Cost Element Analysis Groups for reporting purposes.
Cost Component	N/A	N/A	Cloud Costing only uses these for Source Systems and for user-defined Cost Elements, such as purchase order cost components (PO Price, Freight, Tax, IPV), Inter-Organization Transfers and Miscellaneous Transactions.
N/A	Sub-Elements	Cost Components	Sub-Elements do not appear to exist in Cloud Costing. But there are separate Overhead Pools and Overhead Absorption Rules in Cloud Costing for Inventory Costing as well as Resources and Resource Overheads for Manufacturing.





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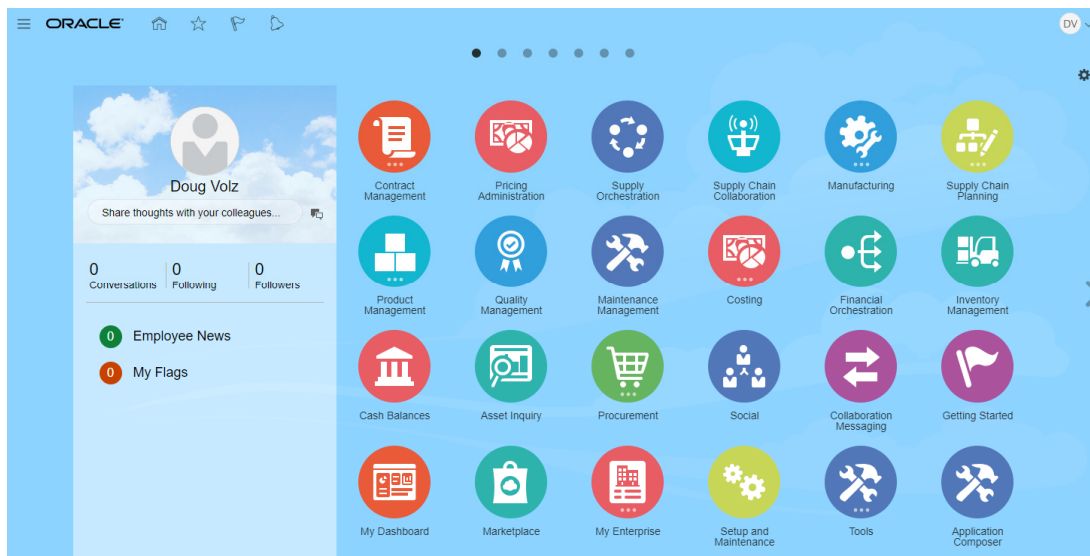
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## Cloud Costing Comparison and Setup:

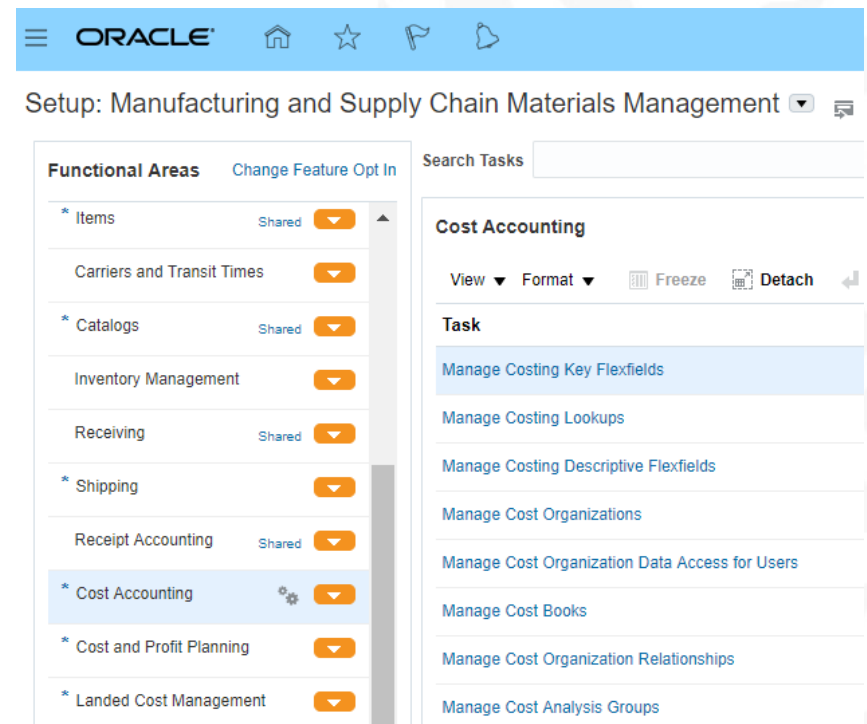
### General Concepts

# Oracle Fusion General Concepts – Separation of Duties

## Main or Landing Page For Everyday Tasks



## Setup Tasks for Analysts and Power Users



# Oracle Fusion General Concepts – Everyday Tasks

## □ Everyday Tasks for Cost Accounting

### Cost and Profit Planning

- Manage Cost Scenarios
- Manage Standard Costs
- Manage Standard Cost Import Exceptions
- Manage Resource Rates
- Manage Overhead Rates
- View Rolled-up Costs
- View Scenario Exceptions
- Compare Standard Costs

### Item Costs

- Review Item Costs
- Analyze Standard Purchase Cost Variances
- Manage Accounting Overhead Rules
- Manage Cost Adjustment

### Cost Processing

- Create Cost Accounting Distributions
- Manage Cost Accounting Periods
- Review and Approve Item Cost Profiles
- Review Cost Accounting Processes
- Review Work Order Costs
- Review Maintenance Work Order Costs
- Analyze Product Gross Margins
- Review Cost Accounting Distributions
- Review Inventory Valuation

### Accounting

- Create Accounting
- Review Journal Entries

## □ Everyday Tasks for Receipt Accounting

### Accrual Processing

- Create Receipt Accounting Distributions
- Create Uninvoiced Receipt Accruals
- Review Receipt Accounting Distributions

### Accrual Clearing

- Clear Receipt Accrual Balances
- Manage Accrual Clearing Rules
- Adjust Receipt Accrual Balances

### Accrual Reconciliation

- Match Receipt Accruals
- Audit Receipt Accrual Clearing Balances

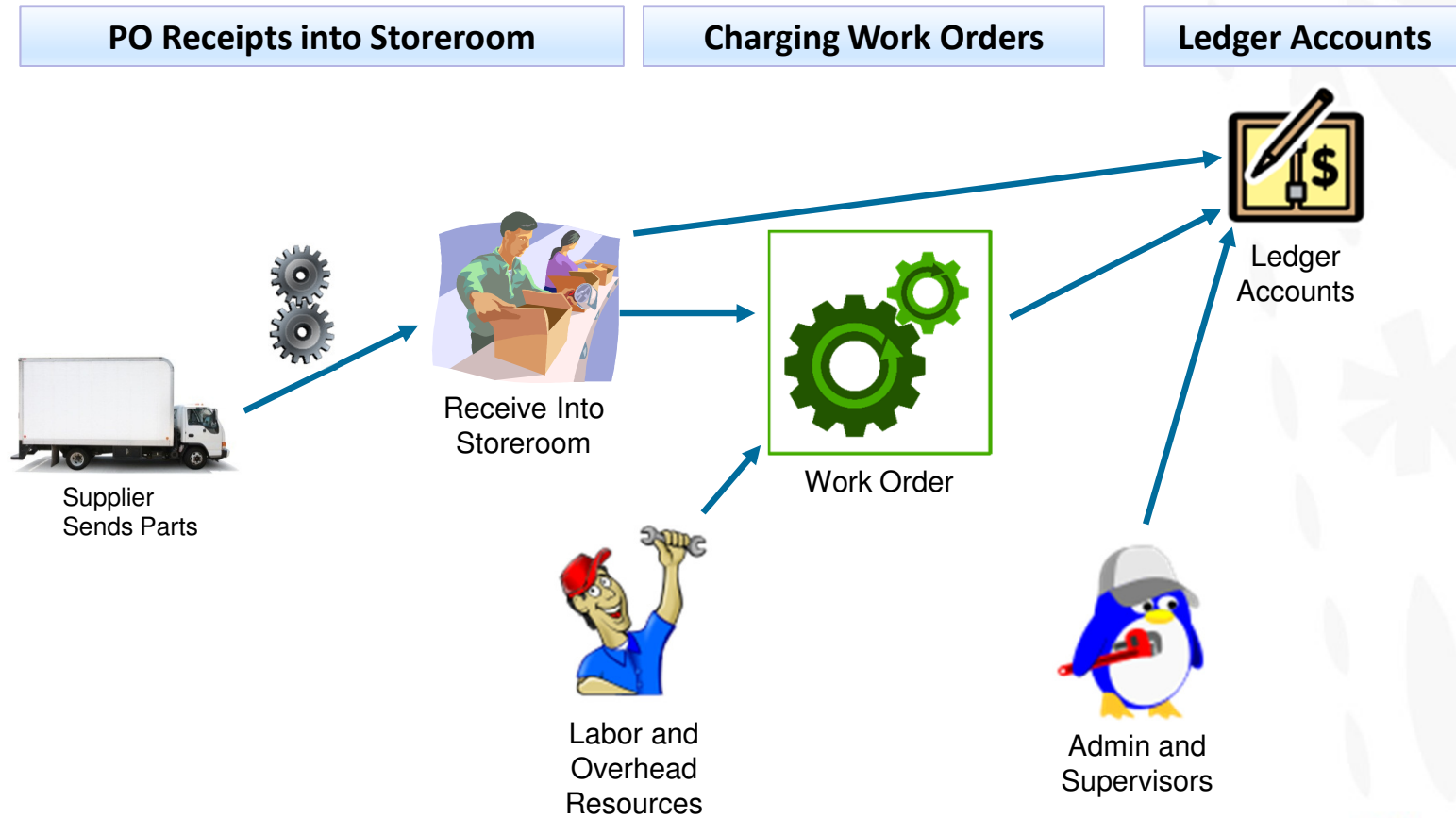
### Accounting

- Create Accounting
- Review Journal Entries

### Landed Costs

- Manage Trade Operations
- Review Purchase Orders for Landed Cost
- Manage Charge Invoice Associations
- Manage Landed Cost Processes
- Review Landed Cost Processes
- Manage Trade Operation Templates
- Reconcile Landed Cost Charges
- View Item Landed Cost
- Analyze Landed Cost Charges
- Analyze Landed Cost Variances
- Capture Trade Operation Charges in Spreadsheet

# Costing Flow Example



## Discrete Costing Transaction Flows Overview

Transaction Area	PO Receipt	Issue Components	Charging Resources
Storeroom	↑ Increase in quantity	↓ Decrease in quantity	
Work Order		↑ Increase in quantity	↑ Increase in hours
Background Costing Processes	1) Receiving Cost Processor 2) Inventory Cost Processor 3) Run Create Accounting	1) Inventory Cost Processor 2) Run Create Accounting	1) Resource Cost Processor 2) Run Create Accounting
Inventory Costing	↑ Increase in value	↓ Decrease in value	
Work Order Costing		↑ Increase in value	↑ Increase in value

# Cloud Costing Transaction Flows Overview

Transaction Area	PO Receipt	Issue Components	Charging Resources
Storeroom	↑ Increase in quantity	↓ Decrease in quantity	
Work Order		↑ Increase in quantity	↑ Increase in hours
Background Costing Processes	1) Transfer Receiving Costs 2) Transfer Inventory Costs 3) Create Receipt Distributions 4) Create Cost Distributions 5) Run Create Accounting	1) Transfer Inventory Costs 2) Transfer Production Costs 3) Create Cost Distributions 4) Run Create Accounting	1) Transfer Production Costs 2) Create Cost Distributions 3) Run Create Accounting
Inventory Costing	↑ Increase in value	↓ Decrease in value	
Work Order Costing		↑ Increase in value	↑ Increase in value





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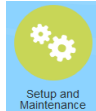
Cloud Costing Comparison and  
Setup:

Oracle Cloud Costing Setup

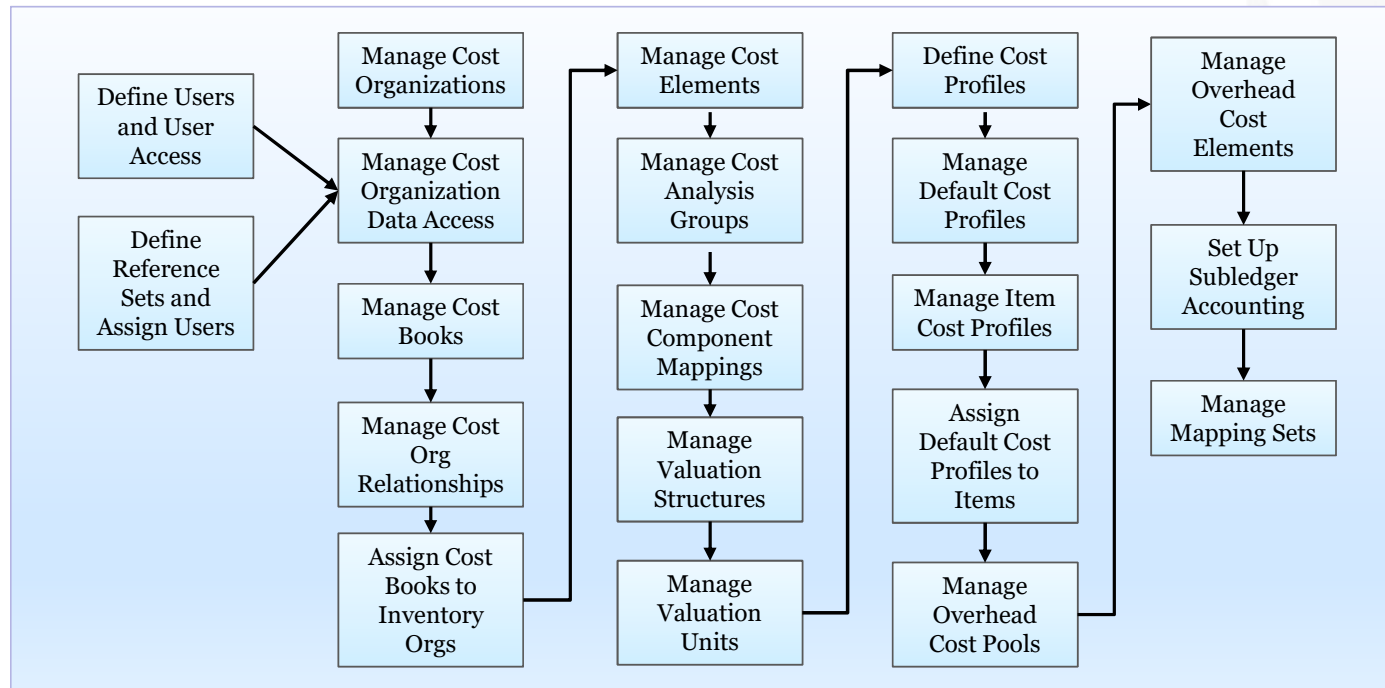


# Cloud Costing Setups

## Setup Menu

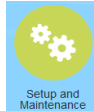


Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting

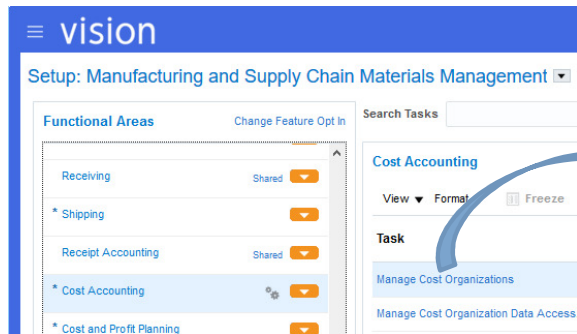


# Cloud Costing Setups: Cost Organizations

- Open and Close Periods by Cost Organization
- Share Costs



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Organizations



vision

SCM\_IMPL

Manage Cost Organizations

Done

Search

Name Starts with

Cost Organization Code Starts with

Status Equals

Legal Entity Name Starts with

Search Organizations

Search Reset Save...

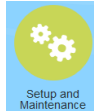
Search Results

Actions View + Edit Detach

Name	Cost Organization Code	Legal Entity Name	Status
US Operations	US-001	US1 Legal Entity	Active
UK Operations	UK-001	UK Legal Entity	Active
FR Operations	FR-001	France Legal Entity	Active
CN Operations	CN-001	China Legal Entity	Active
USHC Operations	USHC-001	Healthcare US Legal Entity	Active

# Cloud Costing Setups: Cost Organization Data Access

- Need Access to Cost Organizations



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Organization Data Access for Users

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- Receiving
- \* Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning

Cost Accounting

Task

- Manage Cost Organizations
- Manage Cost Organization Data Access...

Manage Data Access for Users

☐ Users without Data Access ☒ Users with Data Access

Security Context: Cost organization

Search

\*\* User Name: TIMOTHY.LEVINE

\*\* Role: Cost Accountant

Search Results

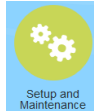
User Name	Role	Security Context	Security Context Value
TIMOTHY.LEVINE	Cost Accountant	Cost organization	UK Operations
TIMOTHY.LEVINE	Cost Accountant	Cost organization	US Operations
TIMOTHY.LEVINE	Cost Accountant	Cost organization	CN Operations
TIMOTHY.LEVINE	Cost Accountant	Cost organization	FR Operations

Have to click here if you already have Data Access

Either field is required

# Cloud Costing Setups: Cost Organization Data Access

- Can Search for Data Access



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Organization Data Access for Users

**vision** Manage Data Access for Users SCM\_IMPL

☐ Users without Data Access ☒ Users with Data Access

Security Context: Cost organization Drop down list

**Search**

**Search Results**

**Actions** **View**

**thorize Additional Data Access**

**Role** Cost Accountant

**Search** **Reset** **Save...**

**Table:**

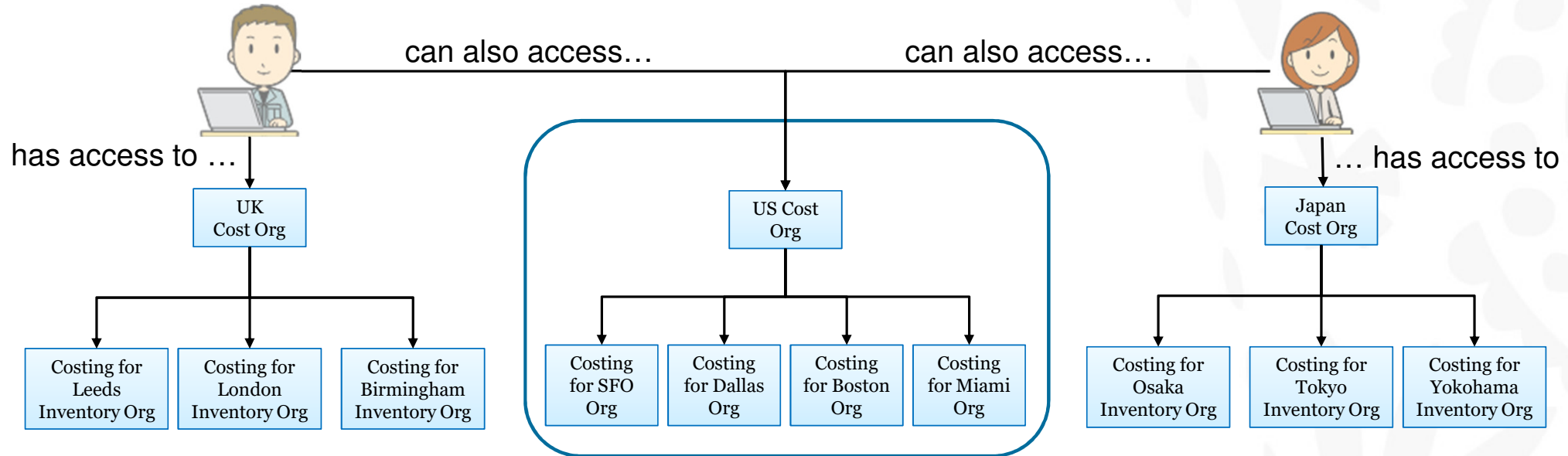
User Name	Role	Security Context	Security Context Value
TIMOTHY.LEVINE	Cost Accountant	Cost organization	UK Operations
TIMOTHY.LEVINE	Cost Accountant	Cost organization	US Operations
TIMOTHY.LEVINE	Cost Accountant	Cost organization	CN Operations
TIMOTHY.LEVINE	Cost Accountant	Cost organization	FR Operations

# Cost Organizations Access Example

## Partition Access by Cost Organization

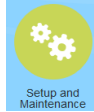
### Reference Data Sets Controls Access to:

- Cost Elements
- Cost Component Mappings
- Valuation Structures
- Cost Profiles



# Cloud Costing Setups: Cost Organization Data Access

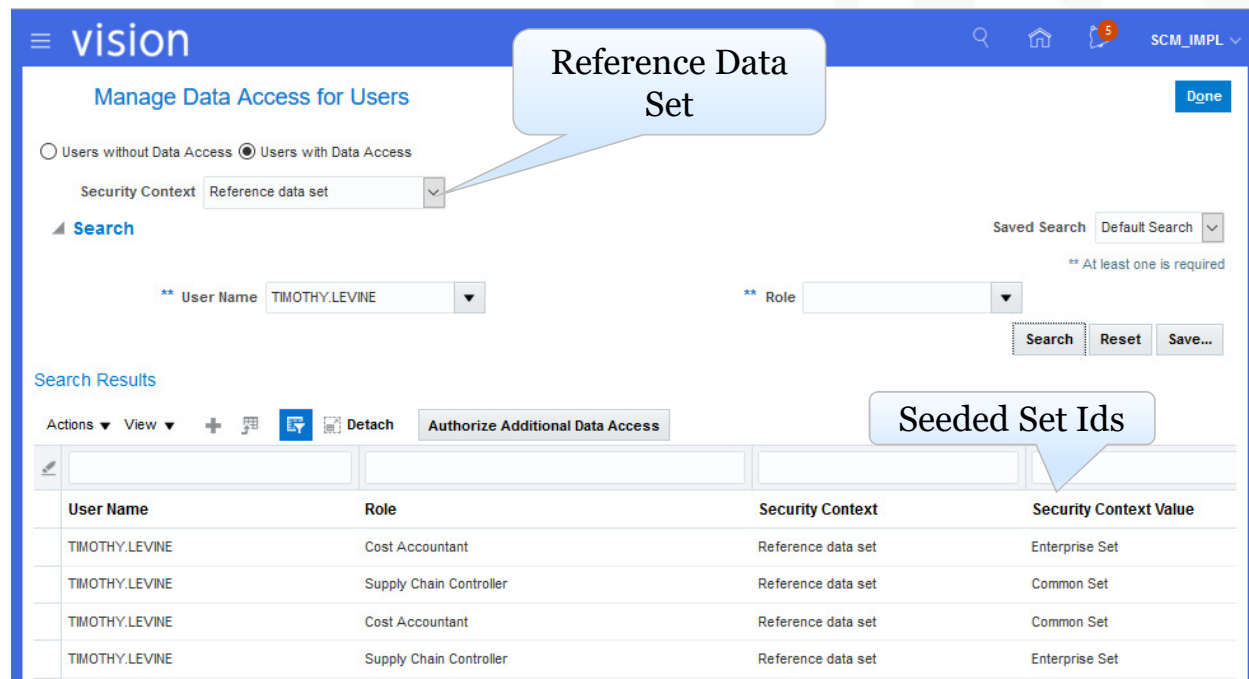
## □ Add Access to Reference Data Sets



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Organization Data Access for Users

## □ Controls Access to:

- Cost Elements
- Cost Component Mappings
- Valuation Structures
- Cost Profiles

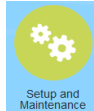


The screenshot shows the "Manage Data Access for Users" page in the Oracle Vision application. The page has a blue header with the "vision" logo and navigation icons. The main content area is titled "Manage Data Access for Users" and includes a "Done" button in the top right. Below the title, there are two radio buttons: "Users without Data Access" (unselected) and "Users with Data Access" (selected). A "Security Context" dropdown menu is set to "Reference data set", with a callout bubble labeled "Reference Data Set" pointing to it. A "Search" button is located below the dropdown. To the right, there is a "Saved Search" dropdown set to "Default Search" and a note: "\*\* At least one is required". Below these are input fields for "\*\* User Name" (set to "TIMOTHY.LEVINE") and "\*\* Role" (empty), followed by "Search", "Reset", and "Save..." buttons. The "Search Results" section shows a table with columns: "User Name", "Role", "Security Context", and "Security Context Value". The table contains four rows of data for the user "TIMOTHY.LEVINE". Above the table, there are action buttons: "Actions", "View", a plus icon, a minus icon, a "Detach" button, and an "Authorize Additional Data Access" button. A callout bubble labeled "Seeded Set Ids" points to the "Security Context Value" column.

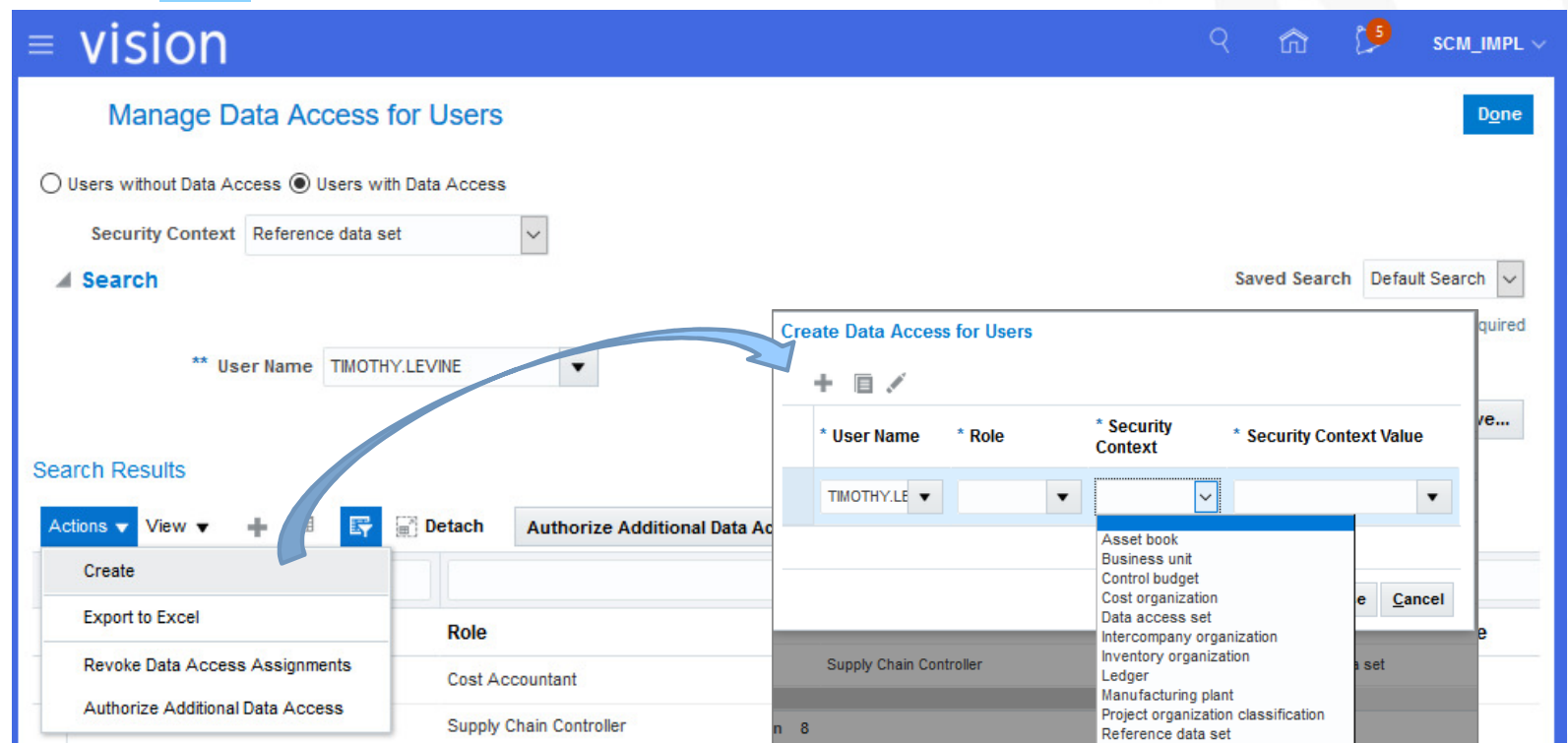
User Name	Role	Security Context	Security Context Value
TIMOTHY.LEVINE	Cost Accountant	Reference data set	Enterprise Set
TIMOTHY.LEVINE	Supply Chain Controller	Reference data set	Common Set
TIMOTHY.LEVINE	Cost Accountant	Reference data set	Common Set
TIMOTHY.LEVINE	Supply Chain Controller	Reference data set	Enterprise Set

# Cloud Costing Setups: Cost Organization Data Access

## ■ Add Data Access



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Organization Data Access

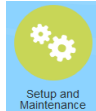


The screenshot shows the 'Manage Data Access for Users' interface in Oracle Cloud. The main heading is 'Manage Data Access for Users'. Below it, there are two radio buttons: 'Users without Data Access' and 'Users with Data Access' (which is selected). A 'Security Context' dropdown menu is set to 'Reference data set'. A 'Search' button is visible. Below the search bar, there is a table with columns for 'User Name', 'Role', and 'Security Context'. The 'User Name' column shows 'TIMOTHY.LEVINE'. A blue arrow points from the 'Create' button in the 'Actions' menu to the 'Create Data Access for Users' dialog box. The dialog box has a table with columns for 'User Name', 'Role', 'Security Context', and 'Security Context Value'. The 'Security Context' dropdown menu is open, showing a list of options: Asset book, Business unit, Control budget, Cost organization, Data access set, Intercompany organization, Inventory organization, Ledger, Manufacturing plant, Project organization classification, and Reference data set. The 'Role' column shows 'Supply Chain Controller'.

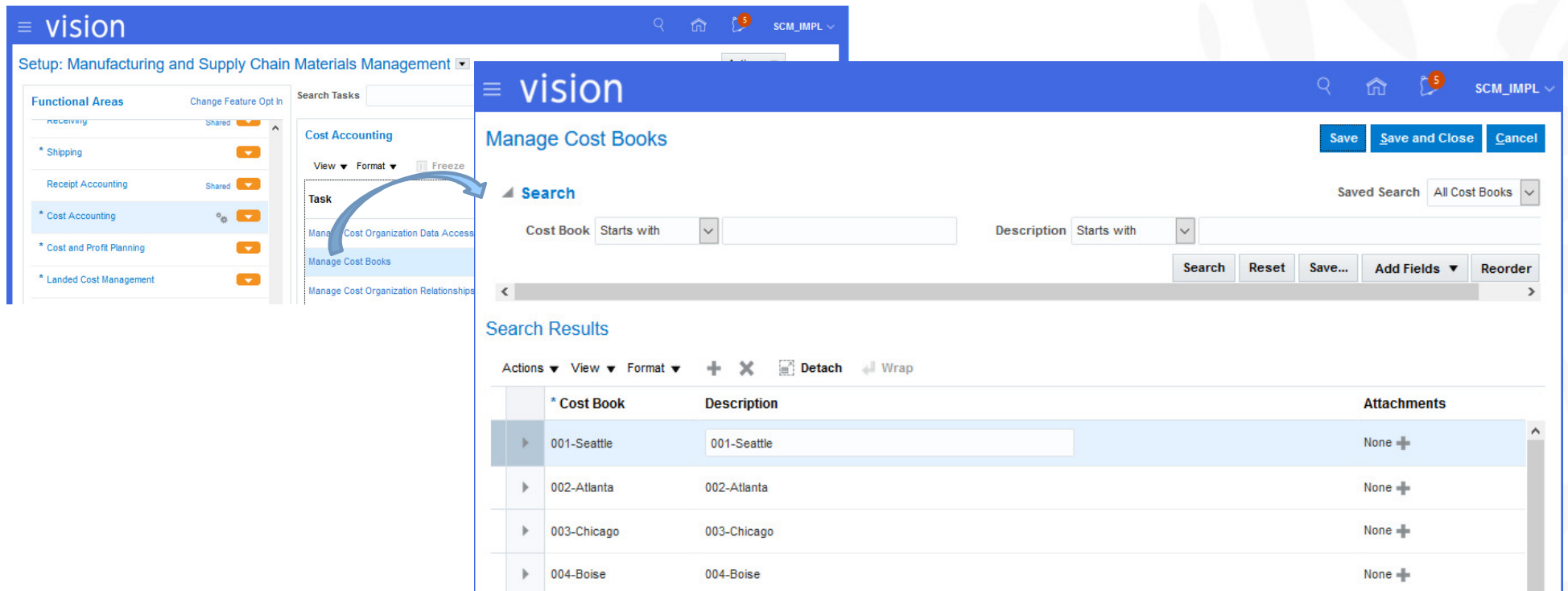


# Cloud Costing Setups: Manage Cost Books

## Define Cost Books



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Books

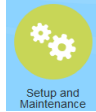


The screenshot shows the 'Manage Cost Books' setup page in the Oracle Cloud interface. On the left, a sidebar lists 'Functional Areas' including Shipping, Receipt Accounting, Cost Accounting (selected), Cost and Profit Planning, and Landed Cost Management. Below this, 'Search Tasks' lists 'Manage Cost Organization Data Access', 'Manage Cost Books' (highlighted with a blue arrow), and 'Manage Cost Organization Relationships'. The main panel is titled 'Manage Cost Books' and features a search bar with filters for 'Cost Book' and 'Description', both set to 'Starts with'. Below the search bar, a 'Search Results' table displays four entries:

* Cost Book	Description	Attachments
001-Seattle	001-Seattle	None +
002-Atlanta	002-Atlanta	None +
003-Chicago	003-Chicago	None +
004-Boise	004-Boise	None +

# Cloud Costing Setups: Manage Cost Organization Relationships

## Define Cost Org Relationships



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Organization Relationships => Set Assignments

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- Receiving
- \* Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning
- \* Landed Cost Management

Change Feature Opt In

Search Tasks

Cost Accounting

View Format Freeze Detach

Task

- Manage Cost Books
- Manage Cost Organization Relationships
- Manage Cost Analysis Groups

Manage Accounting Cost Organization Relationships

Save Save and Close Cancel

Advanced Saved Search All Cost Organizations

Search

Search Results: Cost Organizations

* Cost Organization	Cost Organization Code	Legal Entity Name	* Item Validation Organization	Standard Cost Approval
CN Operations	CN-001	China Legal Entity	Operations	—
FR Operations	FR-001	France Legal Entity	Operations	—
UK Operations	UK-001	UK Legal Entity	Operations	—
US Operations	US-001	US1 Legal Entity	Operations	<input type="checkbox"/>
USHC Operations	USHC-001	Healthcare US Legal ...	Operations	—

Columns Hidden 2

US Operations: Relationships

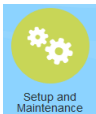
Set Assignments Inventory Organizations Cost Books

* Reference Data Object	* Reference Data Set Name	Reference Data Set Code
Cost Planning Setup	Enterprise Set	ENTERPRISE
Costing Core Setups	Enterprise Set	ENTERPRISE

Reference Data Set Assignments

# Cloud Costing Setups: Manage Cost Organization Relationships

## Define Cost Org Relationships



Menu Path: Setup and Maintenance =>  
Manufacturing and Supply Chain Materials  
Management => Cost Accounting =>  
Manage Cost Organization Relationships =>  
Inventory Organizations

Multiple inventory  
orgs belong to one Cost  
Organization

vision

Manage Accounting Cost Organization Relationships

Save Save and Close Cancel

Search

Advanced Saved Search All Cost Organizations

Search Results: Cost Organizations

Actions View Format + X Freeze Detach Wrap

* Cost Organization	Cost Organization Code	Legal Entity Name	* Item Validation Organization	Standard Cost Approval
CN Operations	CN-001	China Legal Entity	Operations	—
FR Operations	FR-001	France Legal Entity	Operations	—
UK Operations	UK-001	UK Legal Entity	Operations	—
US Operations	US-001	US1 Legal Entity	Operations	<input type="checkbox"/>
USHC Operations	USHC-001	Healthcare US Legal ...	Operations	—

Columns Hidden 2

US Operations: Relationships

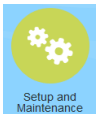
Set Assignments Inventory Organizations Cost Books

Actions View Format + X Detach Wrap

* Name	Manufacturing Plant	Profit Center Business Unit	* Effective Start Date	Effective End Date	Attachments	Status
Boise	✓	US1 Business Unit	1/1/01		None +	Active
Dallas	✓	US1 Business Unit	1/1/01		None +	Active
Atlanta	✓	US1 Business Unit	1/1/13		None +	Active
Seattle Maintenance	✓	US1 Business Unit	1/1/01		None +	Active
Seattle	✓	US1 Business Unit	1/1/13		None +	Active

# Cloud Costing Setups: Manage Cost Organization Relationships

## Define Cost Org Relationships



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Organization Relationships => Cost Books

**vision** Manage Accounting Cost Organization Relationships

Search Results: Cost Organizations

* Cost Organization	Cost Organization Code	Legal Entity Name	* Item Validation Organization	Standard Cost Approval
CN Operations	CN-001	China Legal Entity	Operations	—
FR Operations	FR-001	France Legal Entity	Operations	—
UK Operations	UK-001	UK Legal Entity	Operations	—
US Operations	US-001	US1 Legal Entity	Operations	<input type="checkbox"/>
USHC Operations	USHC-001	Healthcare US Legal ...	Operations	—

Columns Hidden 2

**US Operations: Relationships**

Set Assignments Inventory Organizations **Cost Books**

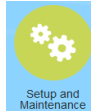
Cost Book	Ledger	Primary Book	Currency	Accounting Calendar	Create Accounting	First Opened Period	M F
US Operations			USD	AccountingMMYY		01-13	
M001-Seattle			USD	AccountingMMYY		01-17	
Financial	US Primary Ledger	<input checked="" type="checkbox"/>	USD	AccountingMMYY	<input checked="" type="checkbox"/>	01-13	
005-Dallas			USD	AccountingMMYY		01-16	

Also has the Cost Policies by Cost Book

Only one Cost Book flows to the Primary Ledger

# Cloud Costing Setups: Manage Cost Analysis Groups

Optional,  
for Reporting



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Analysis Groups

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

Change Feature Opt In

Search Tasks

Cost Accounting

View Format Fre

Task

Manage Cost Organization Relation

Manage Cost Analysis Groups

Manage Valuation Structures

vision

Manage Cost Analysis Groups

Save Save and Close Cancel

Search

Advanced Saved Search All Analysis Groups

Analysis Group Starts with Description Starts with

Search Reset Save...

Search Results

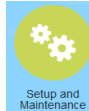
Analysis Group	Description	Attachments
Variable	Variable	None +
Variability Group	Variability Group	None +
Expense Type Group	Expense Type Group	None +
Value Added Group	Value Added Group	None +
Non Value Added Group	Non Value Added Group	None +

Variable: Analysis Codes

Analysis Code	Description	Default
No data to display.		

# Cloud Costing Setups: Manage Valuation Structures

## How to Cost “Asset” Items



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Valuation Structures

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

Change Feature Opt In

Shipping

Receipt Accounting

\* Cost Accounting

\* Cost and Profit Planning

\* Landed Cost Management

\* Intrastat Reporting

Search Tasks

Cost Accounting

View Format

Task

Manage Cost Analysis Groups

Manage Valuation Structures

Manage Cost Elements

vision

Manage Valuation Structures

Search

Valuation Structure Set

Valuation Structure Type

Valuation Structure Code

Description

Advanced

Saved Search

All Valuation Structures

Search

Reset

Save...

Search Results

Valuation Structure Code	Valuation Structure Set	Valuation Structure Type	Description	Flexfield Structure	Valuation Structure Mode	Attachments
Consignment	Common Set	Consigned	Consignment	Owner Type, Owner, Original Receipt	Auto	None
Inv Org-Asset	Common Set	Asset	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
Inv Org-Expense	Common Set	Expense	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
InvOrg_Subinventory_Asset	Common Set	Asset	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None
InvOrg_Subinventory_Expense	Common Set	Expense	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None

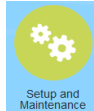
Inv Org-Asset: Costing Attributes

Sequence	Costing Attribute	Required
1	Cost organization	No
2	Inventory organization	No

Separate item costs by inventory organization

# Cloud Costing Setups: Manage Valuation Structures

## How to Cost “Expense” Items



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Valuation Structures

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning
- \* Landed Cost Management
- \* Intrastat Reporting

Change Feature Opt In

Search Tasks

Cost Accounting

View Format Freeze

Task

- Manage Cost Analysis Groups
- Manage Valuation Structures
- Manage Cost Elements

vision

Manage Valuation Structures

Done

Search

Valuation Structure Set Equals

Valuation Structure Code Starts with

Valuation Structure Type Equals

Description Starts with

Search Reset Save...

Search Results

Actions View Format Freeze Detach Wrap

Valuation Structure Code	Valuation Structure Set	Valuation Structure Type	Description	Flexfield Structure	Valuation Structure Mode	Attachments
Consignment	Common Set	Consigned	Consignment	Owner Type, Owner, Original Receipt	Auto	None
Inv Org-Asset	Common Set	Asset	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
Inv Org-Expense	Common Set	Expense	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
InvOrg_Subinventory_Asset	Common Set	Asset	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None
InvOrg_Subinventory_Expense	Common Set	Expense	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None

Inv Org-Expense: Costing Attributes

View Format Freeze Detach Wrap

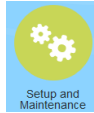
Sequence	Costing Attribute	Required
1	Cost organization	No
2	Inventory organization	No

Separate item costs by inventory organization, use for Asset Items (Maintenance)



# Cloud Costing Setups: Manage Valuation Structures

## How to Cost "Consigned" Items



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Valuation Structures

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning
- \* Landed Cost Management
- \* Intrastat Reporting

Search Tasks

Cost Accounting

Task

Manage Cost Analysis Groups

Manage Valuation Structures

Manage Cost Elements

vision

Manage Valuation Structures

Search

Valuation Structure Set: Equals

Valuation Structure Type: Equals

Valuation Structure Code: Starts with

Description: Starts with

Search Reset Save...

Search Results

Valuation Structure Code	Valuation Structure Set	Valuation Structure Type	Description	Flexfield Structure	Valuation Structure Mode	Attachments
Consignment	Common Set	Consigned	Consignment	Owner Type, Owner, Original Receipt	Auto	None
Inv Org-Asset	Common Set	Asset	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
Inv Org-Expense	Common Set	Expense	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
InvOrg_Subinventory_Asset	Common Set	Asset	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None
InvOrg_Subinventory_Expense	Common Set	Expense	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None

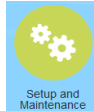
Consignment: Costing Attributes

Sequence	Costing Attribute	Required
1	Owner Type	Yes
2	Owner	Yes
3	Original Receipt Number	Yes

Separate item costs by  
consignment owner and  
receipt number

# Cloud Costing Setups: Manage Valuation Structures

## How to Cost by Subinventory



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Valuation Structures

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning
- \* Landed Cost Management
- \* Intrastat Reporting

Search Tasks

Cost Accounting

Task

Manage Cost Analysis Groups

Manage Valuation Structures

Manage Cost Elements

vision

Manage Valuation Structures

Search

Valuation Structure Set: Equals

Valuation Structure Type: Equals

Valuation Structure Code: Starts with

Description: Starts with

Search Reset Save...

Search Results

Valuation Structure Code	Valuation Structure Set	Valuation Structure Type	Description	Flexfield Structure	Valuation Structure Mode	Attachments
Consignment	Common Set	Consigned	Consignment	Owner Type, Owner, Original Receipt	Auto	None
Inv Org-Asset	Common Set	Asset	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
Inv Org-Expense	Common Set	Expense	Valuation Structure-Inv Org	Cost Organization and Inventory Organization	Both auto and manual	None
InvOrg_Subinventory_Asset	Common Set	Asset	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None
InvOrg_Subinventory_Expense	Common Set	Expense	Inventory Subinventory	Inventory Subinventory	Both auto and manual	None

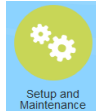
InvOrg\_Subinventory\_Asset: Costing Attributes

Sequence	Costing Attribute	Required
1	Cost organization	No
2	Inventory organization	No
3	Sub-inventory	No

Separate item costs by Cost Org, Inventory Org and Subinventory

# Cloud Costing Setups: Manage Cost Elements

## Define Your Own Cost Elements



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Elements

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- \* Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning
- \* Landed Cost Management
- \* Subcontract Operations

Cost Accounting

Task

- Manage Cost Element Structures
- Manage Cost Elements
- Manage Cost Component Mappings

Search

Cost Element Starts with

Description Starts with

Advanced Saved Search All Cost Elements

Search Reset Save...

Search Results

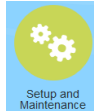
* Cost Element	* Cost Element Set	* Cost Element Type	Description	Inventory Organization	Attachments
IM-001	Common Set	Profit in inventory	Internal Margin PII	Seattle	None
MI_MOH01	Common Set	Material overhead	MI MOH01		None
IM-003	Common Set	Profit in inventory	Internal Margin PII	Chicago	None
IM-100	Common Set	Profit in inventory	Internal Margin PII	Manchester	None

Define your own material, material overheads, profit in inventory, etc.... cost elements

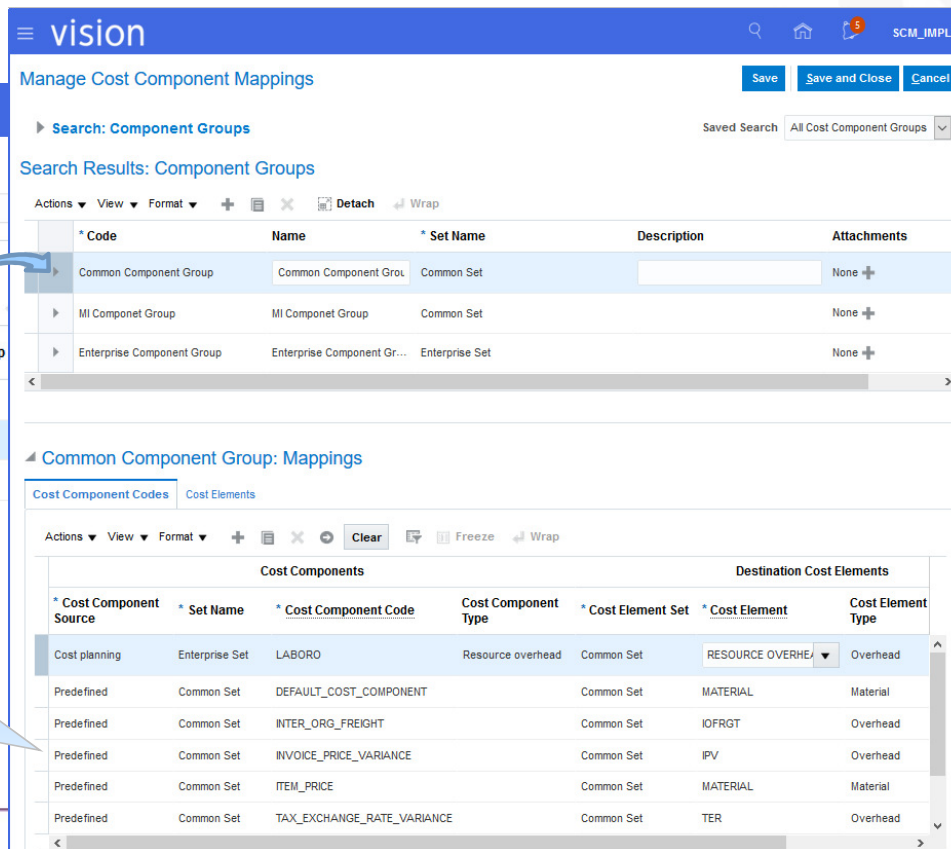
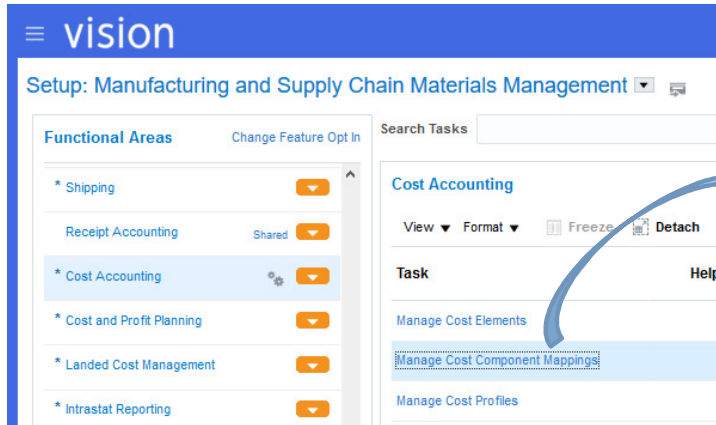
Everyone can use these

# Cloud Costing Setups: Manage Cost Component Mappings

- To Interface With External Cost Sources



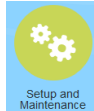
Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Components



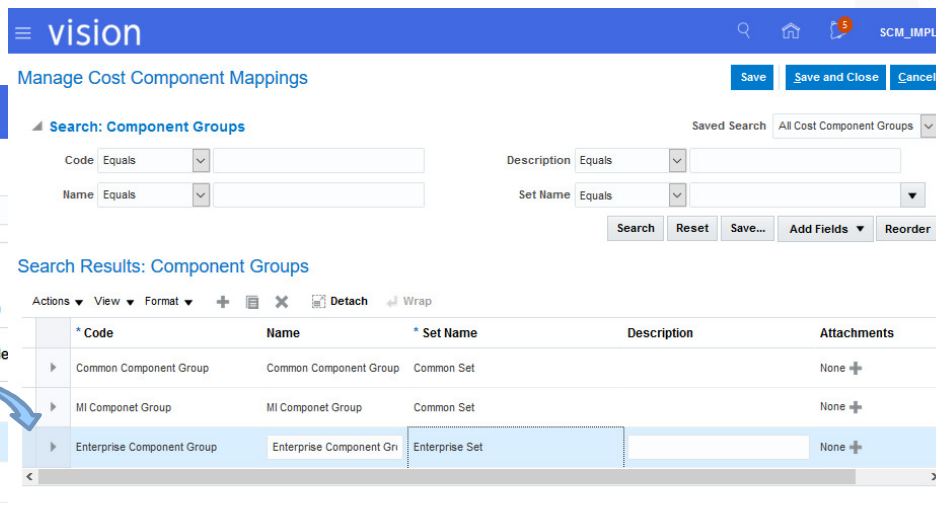
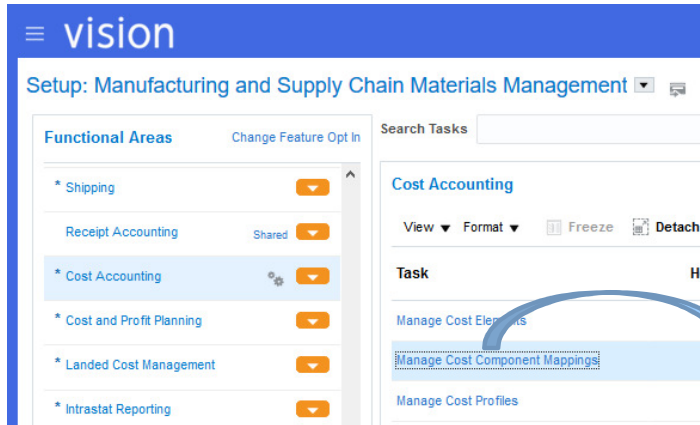
*Not like the R12 Sub-Elements*  
Only used for interfacing from a Cost Source, like from Payables and IPV or from PO receipt transactions and the Cost Component Code "ITEM\_PRICE"

# Cloud Costing Setups: Manage Cost Component Mappings

- ❑ To Interface With External Cost Sources










Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Components



Used for the Cost Rollup  
(Cost planning)

Enterprise Component Group: Mappings

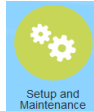
Cost Component CodesCost Elements

ActionsViewFormat+ClearFreezeWrap

Cost Components				Destination Cost Elements		
* Cost Component Source	* Set Name	* Cost Component Code	Cost Component Type	* Cost Element Set	* Cost Element	Cost Element Type
Cost planning	Enterprise Set	LABORO	Resource overhead	Common Set	RESOURCE OVERHEAD	Overhead
Cost planning	Enterprise Set	MTL	Material	Enterprise Set	Material	Material
Cost planning	Enterprise Set	MACH	Resource direct	Enterprise Set	Machine	Resource
Cost planning	Enterprise Set	MACHO	Resource overhead	Enterprise Set	Resource Overhead	Overhead

# Cloud Costing Setups: Manage Cost Profiles

- Cost Each Item  
– by Cost Profile



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Profiles

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

\* Shipping

Receipt Accounting

\* Cost Accounting

\* Cost and Profit Planning

\* Landed Cost Management

\* Intrastat Reporting

Search Tasks

Cost Accounting

Task

Manage Cost Profiles

vision

Manage Cost Profiles

Search

Cost Profile Starts with

Description Starts with

Advanced

Saved Search

All Cost Profiles

Search

Reset

Save...

Search Results

Cost Profile	Cost Profile Set	Description	Cost Method	Valuation Structure Code	Valuation Structure Type	Propagate Cost Adjustment	Receipt Without Cost	Referenced RMA Cost
Standard-Expense	Common Set	Standard Costing-Expense	Standard cost	Inv Org-Expense	Expense	—	Use current average cost	Average cost of original sales order
AverageCost-Exp...	Common Set	Average Cost-Expense	Perpetual average	Inv Org-Expense	Expense	—	Use current average cost	Average cost of original sales order
ActualCost-Expense	Common Set	Actual Cost-Expense	Actual cost	Inv Org-Expense	Expense	✓	Use first receipt layer cost	Average cost of original sales order
Consignment Cost...	Common Set	Consignment Cost Profile	Actual cost	Consignment	Consigned	✓	Use first receipt layer cost	Average cost of original sales order
AverageCost-Asset	Common Set	Average Cost-Asset	Perpetual average	Inv Org-Asset	Asset	—	Use current average cost	Average cost of original sales order
ActualCost-Asset	Common Set	Actual Cost-Asset	Actual cost	Inv Org-Asset	Asset	✓	Use first receipt layer cost	Average cost of original sales order
Standard-Asset	Common Set	Standard Costing-Asset	Standard cost	Inv Org-Asset	Asset	—	Use current average cost	Average cost of original sales order

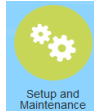
**Need at least two:**

- 1) Asset for valued Items
- 2) Expense for Expense (EAM) Asset Items



# Cloud Costing Setups: Manage Cost Profiles (Continued)

## Cost Policies by Cost Profile



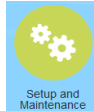
Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Profiles

Cost Profile	Cost Profile Set	Description	Cost Method	Valuation Structure Code	Valuation Structure Type	Propagate Cost Adjustment	Receipt Without Cost	Referenced RMA Cost
Standard-Expense	Common Set	Standard Costing-Expense	Standard cost	Inv Org-Expense	Expense	—	Use current average cost	Average cost of original sales order
AverageCost-Exp...	Common Set	Average Cost-Expense	Perpetual average	Inv Org-Expense	Expense	—	Use current average cost	Average cost of original sales order
ActualCost-Expense	Common Set	Actual Cost-Expense	Actual cost	Inv Org-Expense	Expense	✓	Use first receipt layer cost	Average cost of original sales order
Consignment Cost...	Common Set	Consignment Cost Profile	Actual cost	Consignment	Consigned	✓	Use first receipt layer cost	Average cost of original sales order
AverageCost-Asset	Common Set	Average Cost-Asset	Perpetual average	Inv Org-Asset	Asset	—	Use current average cost	Average cost of original sales order

Cost By	Process Negative Quantity	Quantity Depletion Method	Cost Component Mapping Group	Accounting Distribution Basis	Create Accounting	Provisional Completions	Operation Scrap Accounting	Operation Scrap Valuation	Attachments
Primary UOM	Always	First in first ...	Common Component Group			Value at standard cost	Expense	Value immediately ...	None
Primary UOM	Always	First in first ...	Common Component Group			Value at perpetual average cost	Expense	Value immediately ...	None
Primary UOM	Always	First in first ...	Common Component Group			Value at last actual cost	Expense	Value immediately ...	None
Primary UOM	To zero	First in first ...	Common Component Group	At Zero Cost	No				None
Primary UOM	Always	First in first ...	Common Component Group			Value at perpetual average cost	Expense	Value immediately ...	None

# Cloud Costing Setups: Manage Cost Profiles (Continued)

## Controls How You Cost Transactions



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Cost Profiles => (Edit) AverageCost-Asset

vision

SCM\_IMPL

Edit Cost Profile: AverageCost-Asset

Save and Close Cancel

Cost Profile Set Common Set

Cost Profile AverageCost-Asset

Description Average Cost-Asset

Accounting

Cost Method Perpetual average

Process Negative Quantity Always

Valuation Rules

Valuation Structure Code Inv Org-Asset

Valuation Structure Type Asset

Additional Information

Attachments None

Quantity Depletion Method First in first out

Account Intravaluation Unit Transfers

Cost By Primary UOM

Turn on or off accounting for subinventory transfers

Scroll down to see second half of the screen or UI

Work Order Valuation Rules

Provisional Completions Value at perpetual average cost

Operation Scrap Valuation Value immediately and at work order close

Operation Scrap Accounting Expense

Cost Structure

Cost Component Mapping Group Common Component Group

Analysis Mapping

Transaction Costing Rules

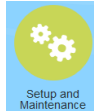
\* Receipt Without Cost Use current average cost

\* Referenced RMA Cost Average cost of original sales order

Propagate Cost Adjustment

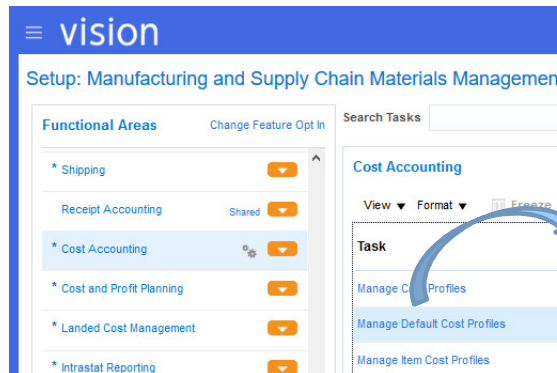
# Cloud Costing Setups: Manage Default Cost Profiles

- Assign Cost Profiles To Your Items



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Default Cost Profiles

- Defaulted at Creation



**vision** Manage Default Cost Profiles

Search

Cost Organization Equals  Category Name Equals

Cost Book Equals

Search Reset Save...

Search Results

Cost Organization	Cost Book	Category Name	Asset Cost Profile	Expense Cost Profile	Consigned Cost Profile	New Item Creation
US Operations	Financial	Computer Accessories	ActualCost-Asset	ActualCost-Expense		Auto
US Operations	Financial	Computer Monitors	ActualCost-Asset	ActualCost-Expense		Auto
US Operations	Financial	Computer Servers	AverageCost-Asset	AverageCost-Expense		Auto
US Operations	Financial	Electronic Accessories	AverageCost-Asset	AverageCost-Expense		Auto

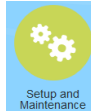
Can have a different Costing Method for Each Category. But you can leave the Category blank if you use the same Costing Method for all items

FIFO Costing

Average Costing

# Cloud Costing Setups: Manage Valuation Units

## How Item Costs are Maintained



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Valuation Units

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- \* Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning
- \* Landed Cost Management
- \* Intrastat Reporting

Cost Accounting

Task

- Manage Item Cost Profiles
- Manage Valuation Units
- Manage Overhead Expense Pools
- Manage Overhead Cost Element Groups

Search

Search Results

Cost Organization	Cost Book	Valuation Structure Code	Valuation Structure Type	Valuation Unit	Description	Valuation Structure Mode	Flexfield Structure	Attachments
US Operations	Financial	Inv Org-Asset	Asset	USI-001-001	Automatically Created	Auto	COST_INV_ORG	None
US Operations	Financial	Inv Org-Asset	Asset	USI-001-003	Automatically Created	Auto	COST_INV_ORG	None
US Operations	002-Atlanta	Inv Org-Asset	Asset	USI-001-001	Automatically Created	Auto	COST_INV_ORG	None
US Operations	Financial	Inv Org-Asset	Asset	USI-001-002	Automatically Created	Auto	COST_INV_ORG	None
US Operations	US Operations	Inv Org-Asset	Asset	USI-001-002	Automatically Created	Auto	COST_INV_ORG	None
US Operations	002-Atlanta	Inv Org-Asset	Asset	USI-001-003	Automatically Created	Auto	COST_INV_ORG	None

USI-001-001: Segment Values

Account Code
Cost Organization-Inventory Organization

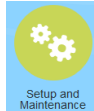
Value inventory valuation reports and transactions by Valuation Unit

The level of granularity for item costing

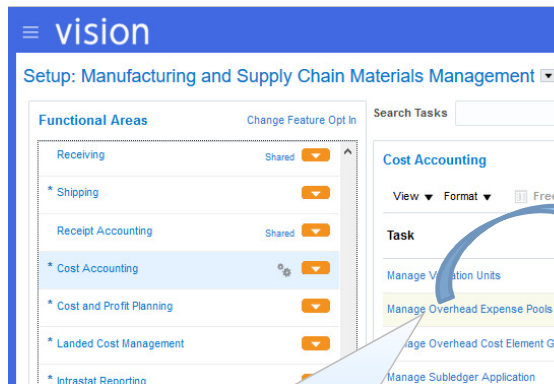
Value inventory valuation reports and transactions by Valuation Unit

# Cloud Costing Setups: Manage Overhead Expense Pools

- SLA Uses Expense Pools for Account Assignment



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost and Profit Planning => Manage Overhead Expense Pools



Badly named, should be "Manage Expense Pools"

For both Overhead and Resource Expense Pools, have to define Expense Pools before defining Resource or Overhead Rates

**vision**

Manage Expense Pools

Save Save and Close Cancel

Basic Saved Search Application Default

Code Equals Name Equals Description Equals Set Name Equals Inactive Equals

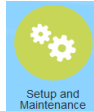
Search Reset Save... Add Fields Reorder

Search Results

* Code	Name	Description	* Set Name	Inactive	Additional Information	Attachments
UK_DISTRIBUTION		Outbound Freight	Enterprise Set	<input type="checkbox"/>		None +
UK_ELECTRIC		Electric	Enterprise Set	—		None +
UK_GAS		Gas	Enterprise Set	—		None +
UK_WATER		Water	Enterprise Set	—		None +

# Cloud Costing Setups: Manage Overhead Cost Element Groups

- ❑ Determines the “Base” for the Overhead calculation



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Overhead Cost Element Groups

vision

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas

- \* Shipping
- Receipt Accounting
- \* Cost Accounting
- \* Cost and Profit Planning
- \* Landed Cost Management
- \* Intrastat Reporting
- \* Manufacturing Master Data

Cost Accounting

Task

- Manage Overhead Expense Pools
- Manage Overhead Cost Element Groups
- Manage Subledger Application
- Update Subledger Application Options

Search

Cost Organization: Equals

Group Name: Starts with

Search Results

* Cost Organization	* Group Name	Description	Inactive	System Defined	Additional Information	Attachments
All	Material Group	Group of cost elements of element type Material forming part of the transaction cost	—	Yes		None +
All	Transaction Cost	Group of cost elements with the exception of cost elements of element type Overhead forming part of the transacti...	—	Yes		None +
US Operations	US_TRANSACTI	US Operations-Transaction Cost Element	<input type="checkbox"/>	No		None +
US Operations	US_MATERIAL	US Operations-Material Cost Elements	<input type="checkbox"/>	No		None +
UK Operations	UK_MATERIAL	UK Operations_Material Cost Elements	<input type="checkbox"/>	No		None +
UK Operations	UK_TRANSACTI	UK Operations-Transaction Cost Element	<input type="checkbox"/>	No		None +

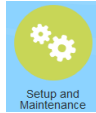
Material overhead example

Resource overhead example



# Cloud Costing Setups: Cost Scenarios

- Once Published You Cannot Make Any Changes to Your Cost Scenario!



Menu Path: Costing => Cost Accounting => (Tasks) Manage Cost Scenarios

vision

Cost Accounting

Cost Organization: All

Click here

Cost and Profit Planning

- Manage Cost Scenarios
- Manage Standard Costs
- Manage Standard Cost Im
- Manage Resource Rates
- Manage Overhead Rates
- View Rolled-up Costs
- View Scenario Exceptions
- Compare Standard Costs

Last Cost Roll  
CPS\_Baseline\_01  
3 Rolled Up

Manage Standard Costs

Manage Resource Rates

Manage Overhead Rates

Roll up Costs

Update Standard Costs

Undo Cost Update

View Rolled-up Costs

View Scenario Exceptions

Compare Standard Costs

Badly named!

After entering item costs (for standard costing), labor (resource) and overhead rates (for any cost method) you have to publish your costs

Done

Advanced

Application Default

Manage Cost Scenarios

Search

Search Results

View + - Clear Detach

Scenario	Cost Organization	Cost Book	Effective Date	Scenario Type	State	Status	Actions
Mfg_Update	US Operations	Financial	1/4/18	Regular items	Costs Published	Completed Successfully	
New Work Definitions	US Operations	Financial	11/8/17	Regular items	Costs Published	Completed Successfully	
Outside Processing	US Operations	Financial	11/2/17	Regular items	Costs Published	Completed Successfully	

## Cloud Costing Setups: SLA Mapping Sets (Overview)

- ❑ Each Cost Distribution Has Journal Lines
- ❑ Each Journal Line Has the “Purpose” of the Journal Line
- ❑ This is called the Accounting Line Type
- ❑ The Cost Distributions are mapped to the full accounting string (CCID) by Accounting Line Type

**Excellent Collaborate 18 paper on Oracle Cloud Costing SLA:**  
*3 Tips & Tricks to Setup Oracle Cloud Cost Management*  
Ehab Khadr, Sr. Manager ERP, Jade Global Consulting

## Cloud Costing Setups: SLA Mapping Sets (Example)

- Each Cost Distribution Has Journal Lines
- *Create Cost Distributions* process generates these journal lines

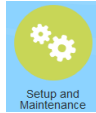
Material Transaction	Journal Lines	Accounting Line Type
▪ Account Alias Issue	▪ Debit Offset Account ▪ Credit Inventory Valuation	▪ Offset ▪ Inventory Valuation

- *Create Accounting* process takes the SLA Mapping Sets (by Accounting Line Type) and assigns the full accounting string (code combination id) to these journal lines

→ **Note:** to simplify, the above example is ignoring the Cost Variance accounting line type, which is only used by Perpetual Average and Actual (FIFO) Costing

# Cloud Costing Setups: SLA Mapping Sets (Example)

## Mapping Sets for Account Alias Txns



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Mapping Sets

ORACLE

Setup: Manufacturing and Supply Chain Materials Management

Functional Areas [Change Feature Opt In](#)

- \* Shipping
- Receipt Accounting [Shared](#)
- \* Cost Accounting [Setup and Maintenance](#)
- \* Cost and Profit Planning
- \* Landed Cost Management
- \* Intrastat Reporting
- \* Manufacturing Master Data
- Structures [Shared](#)
- Supply Chain Collaboration

Search Tasks

Cost Accounting

View Format Fre

Task

- Manage Account Rules
- Manage Description Rules
- Manage Supporting References
- Manage Mapping Sets
- Manage User-Defined Formulas
- Activate Subledger Journal Entry
- Import Supporting Reference Init

Manage Mapping Sets: Cost Management

Search

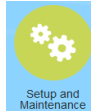
Search Results

Actions View + - X

Name	Description
Accrual Account - Organization	
Asset In-Transit Valuation	Mapping set created for account rule: Asset In-Transit Valuation
Batch Size Variance	Mapping set created for account rule: Batch Size Variance
Bridging	Mapping set created for account rule: Bridging
Component Substitution Variance	Mapping set created for account rule: Component Substitution Variance
Consigned Clearing	Mapping set created for account rule: Consigned Clearing
Consigned In-Transit	Mapping set created for account rule: Consigned In-Transit
Consigned Inspection	Mapping set created for account rule: Consigned Inspection
Consigned Inventory Offset	Mapping set created for account rule: Consigned Inventory Offset

# Cloud Costing Setups: SLA Mapping Sets (Example)

## Mapping Sets for Account Alias Txns



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Mapping Sets => Inventory Valuation

ORACLE

Manage Mapping Sets: Cost Management

Search

Search Results

Actions View + -

Name
Interorganization Payables
Interorganization Receivables
Inventory Valuation
Inventory Variance Gain Loss
Inventory Write-Off
Invoice Price Variance Account - Organization

ORACLE

Search for people

Home Star Flag 23 SCM\_IMPL

Edit Mapping Set

Actions Save Save and Close Save and Create Another Cancel

Name Inventory Valuation

Subledger Application Cost Management

Short Name CST\_INVENTORY\_VALUATION

Status Active

Description Mapping set created for account rule: Inventory Valuation

Created By Oracle

Output Type Account combination

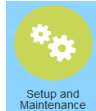
Input Sources

View

Number	Input Source	Value Set	Lookup Type	Segment
1	Inventory Organization Code			
2	Subinventory Code			
3	Costing Category Identifier	CST_XLA_EGP_CA		
4	Item Number			

# Cloud Costing Setups: SLA Mapping Sets (Example)

## Mapping Sets for Account Alias Txns



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Mapping Sets => Inventory Valuation

Chart of Accounts

View + X

Chart of Accounts

US Chart of Accounts

US Chart of Accounts: Mappings

When entering Input values, enter a value, an asterisk to represent any value, or leave blank for no value.

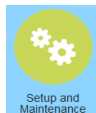
View + X Export Import >> Detach

Input					Output	Effective Start Date	Effective End Date
Default	Inventory Organization Code	Subinventory Code	Costing Category	Item Number	US Chart of Accounts		
	001	*	*	*	101.00.14100.000.000.000		

Export into Excel

# Cloud Costing Setups: SLA Mapping Sets (Export Example)

## Mapping Sets for Account Alias Txns



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Cost Accounting => Manage Mapping Sets => Inventory Valuation (exported)

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Subledger Application	Cost Management											
2	Name	Inventory Valuation											
3	Short Name	CST_INVENTORY_VALUATION											
4													
5	Chart of Accounts	US Chart of Accounts											
6													
7	Inventory Organization Code	Subinventory Code	Costing Category Identifier	Item Number							Output	Effective Start Date (M/d/yy)	Effective End Date (M/d/yy)
8	001	*	*	*							101.00.14100.000.000.000		
9													

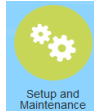
“Wildcard” value

→ **Note:** you cannot have a wildcard (\*) value followed by a “real” value  
For example, 001.\*.1000.\* is not an allowed entry



# Cloud Costing Setups: SLA Mapping Sets (Receipt Accounting)

## Mapping Sets for Receiving Txns



Menu Path: Setup and Maintenance => Manufacturing and Supply Chain Materials Management => Receipt Accounting => Manage Mapping Sets

**Functional Areas** Change Feature Opt In

- \* Catalogs Shared
- Inventory Management
- Receiving Shared
- \* Shipping
- Receipt Accounting** Shared
- \* Cost Accounting
- \* Cost and Profit Planning

**Search Tasks**

**Receipt Accounting**

View Format

**Task**

- Manage Description Rules
- Manage Supporting Reference
- Manage Mapping Sets**
- Manage User-Defined Form

**Manage Mapping Sets: Receipt Accounting**

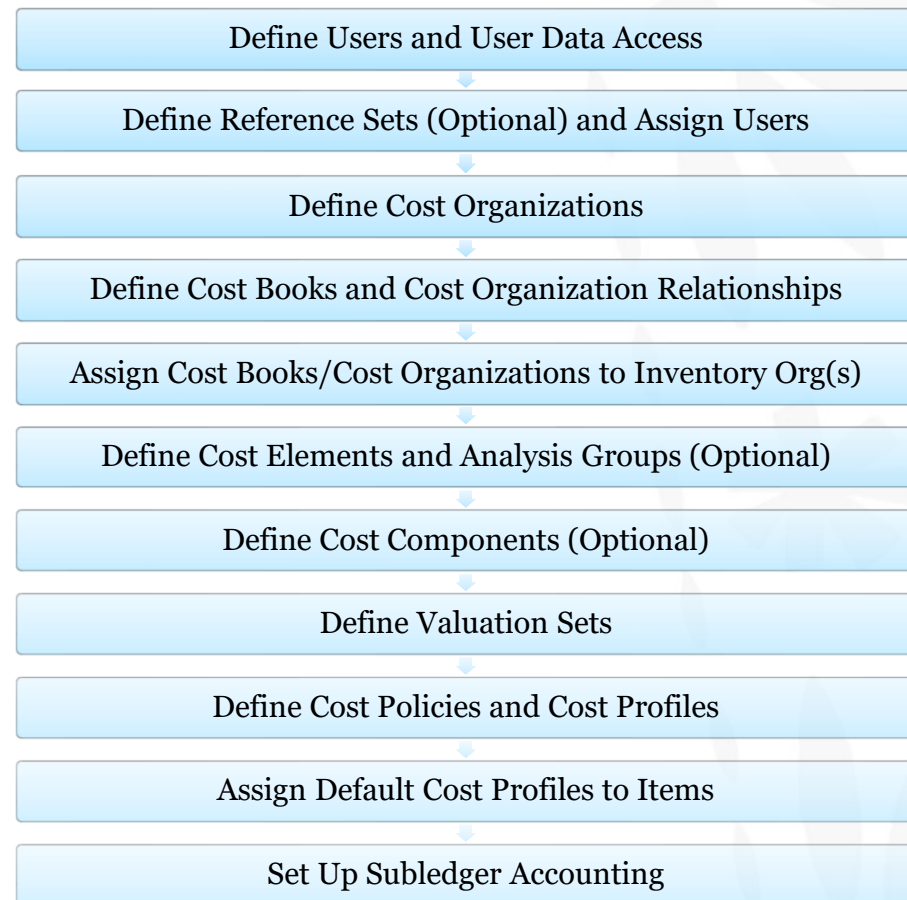
Search

Search Results

Actions View + -

Name	Description
Accrual	Mapping set created for account rule: Accrual
Asset In-Transit Valuation	Mapping set created for account rule: Asset In-Transit Valuation
Clearing	Mapping set created for account rule: Clearing
Consigned Accrual	Mapping set created for account rule: Consigned Accrual
Consigned Clearing	Mapping set created for account rule: Consigned Clearing
Consigned In-Transit	Mapping set created for account rule: Consigned In-Transit
Consigned Inspection	Mapping set created for account rule: Consigned Inspection
Consigned Payable	Mapping set created for account rule: Consigned Payable
Exchange Variance Adjustment	Mapping set created for account rule: Exchange Variance Adjustment

# Cloud Costing Set Up Steps

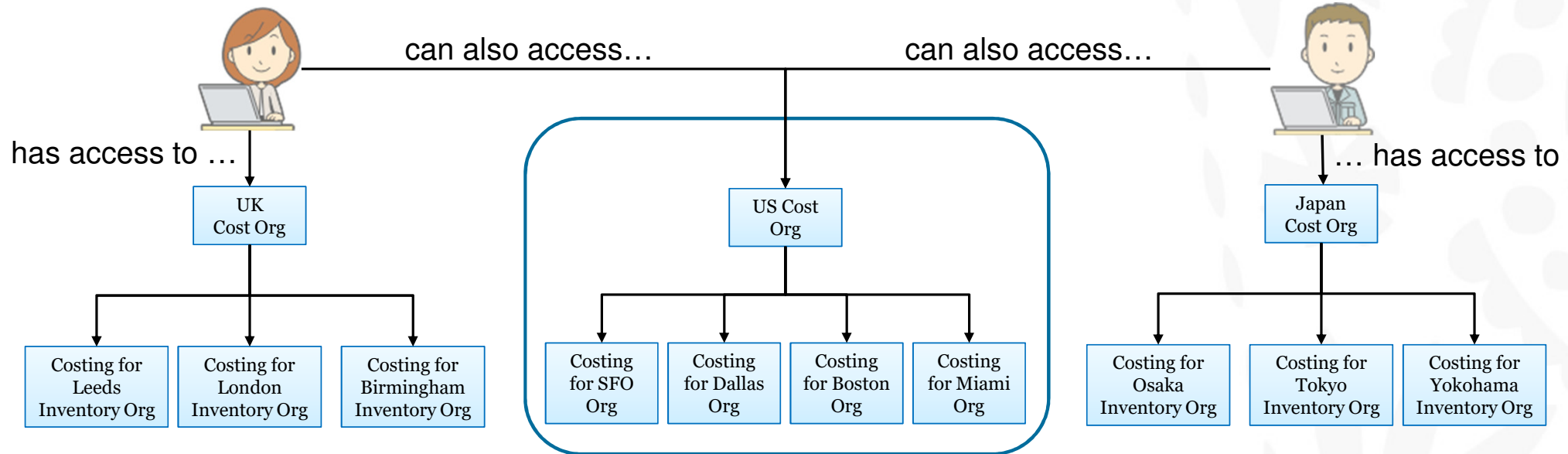


# Cost Organizations Example

## Partition Access by Cost Organization

### Reference Data Sets Controls Access to:

- Cost Elements
- Cost Component Mappings
- Valuation Structures
- Cost Profiles



## Summary

### □ Cloud Costing is Very Different

- Takes at least ten times more effort and time to set up
  - Many more steps
  - Less intuitive – no Cost Types
  - Lots and lots of data replication processes
  - Significant amount of SLA setups, both for Cost Accounting and Receipt Accounting
- More features
  - Unlimited cost elements with 5 cost element types
  - Shared setups by Reference Data Sets
    - Overhead and Resource Cost Pools
    - Cost Elements
    - Valuation Structures
    - Cost Profiles
  - Each item has its own costing method
  - Costing by inventory org, item, subinventory, lot, serial number or grade.



**COLLABORATE19**

TECHNOLOGY AND APPLICATIONS FORUM  
FOR THE ORACLE COMMUNITY

# Q&A

doug@volzconsulting.com

**Session ID:**

**10736**

*Remember to complete your evaluation for this session within the app!*

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