



Command Cost Model Document

U.S. Army Criminal Investigation Command (USACIDC)

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2 / 27 / 2015

**Enterprise Resource Planning
(ERP) Command Cost Model
(CCM) Document — Command
Series**

Reference No. » CCM—OA21



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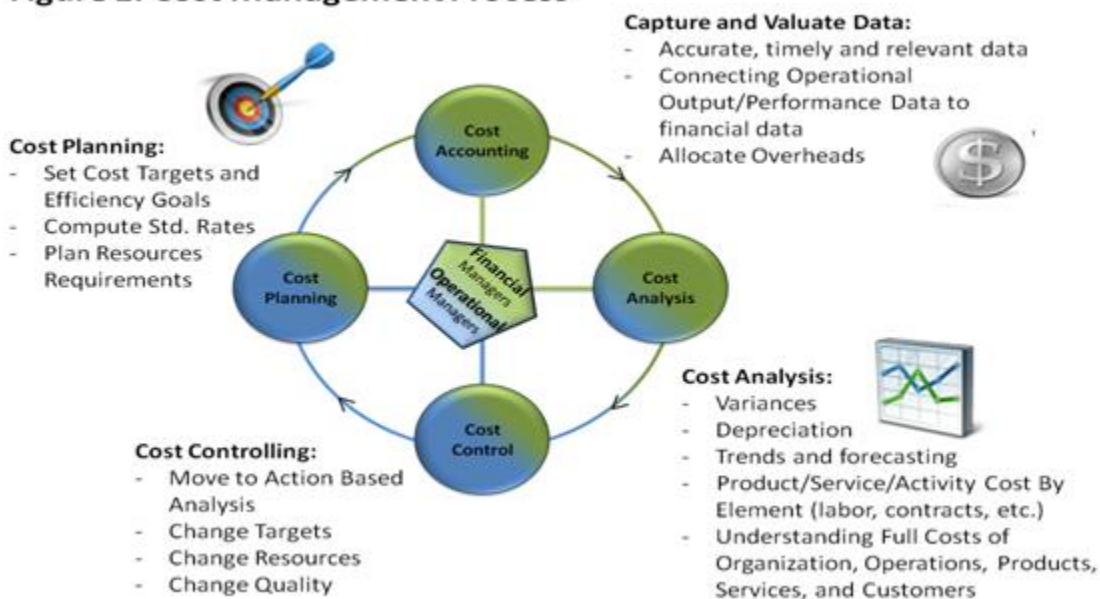


Statement of Purpose

The purpose of the *ERP Command Cost Model (CCM)* document (hereinafter the “Cost Model”) is to provide a living document, which contains the necessary information to be utilized as a reference guide to aid in the understanding of how the command’s current Cost Model is represented in the multiple ARMY ERP platforms, such as the General Fund Enterprise Business System (GFEBS), Global Combat Support System (GCSS), and Logistics Modernization Program (LMP) ERPs. Each command’s Cost Model and corresponding utilization of supporting capabilities within the ERP’s has been adapted to meet the requirements of each command and the Army-Wide cost objectives. The Cost Model consists of the defined system master data and supporting transactions necessary to support the Cost Management Process (see Figure 1). Therefore the Cost Model consists of:

- identification of the cost objectives
- definition for the master data elements
- execution of various kinds of planning
- capturing of ‘actuals’
- allocations/cost assignments and corresponding data loads necessary for driver data
- various reporting requirements

Figure 1: Cost Management Process



The intended audience of this document consists of readers already familiar with the ERP applications and the cost management concepts within the Cost Management Handbook.



Command Overview

U.S. Army Criminal Investigation Command (USACIDC) investigates serious crimes such as murder, rape, kidnapping and violations of military law. USACIDC's responsibilities expand to include war crimes and crimes against coalition forces and host nation personnel but do not include national security crimes (e.g. treason, espionage.) Investigations often utilize services associated with law enforcement activities such as the USACIDC certified forensic laboratory, polygraph services, computer crimes specialist, etc. USACIDC provides maintenance of Army criminal records and performs criminal intelligence activities. Additionally, USACIDC provides protective service operations and also ensures logistics security for manufacturer to soldier on the battlefield. To provide all of these various operations, USACIDC consists of highly trained special agents and support personnel that consist of military or appointed civilian personnel.

Cost Management Objectives

Current Objectives

USACIDC's cost management objective is to provide visibility to the support provided by each organization and unit. Therefore the main focus of the USACIDC cost model is the organizational structure reflected through the Cost Centers. Additionally, understanding the cost of specific kinds of training for its specialized workforce is also an objective.

Future Objectives

As mission activities and support requirements change, objectives should continually be reviewed to ensure the Cost Model is providing the level of information required to make resource informed decisions and/or provide transparency for external reporting and requirements justifications.

Command Master Data

Cost Centers

Overview

Cost Centers (CCs) represent the organizations (e.g. 481ST MP DET (CID) HQ CELL) listed within the Modification Table of Organization and Equipment (MTOE) or Table of Distribution and



Allowances (TDAs) entities (e.g. PUBLIC AFFAIRS OFFICE). Cost Centers are established to collect and manage costs incurred within an organization for the corresponding capacity output provided (e.g. Labor Hours). Cost Centers align to the UIC-Paragraph structure of the TDAs or the MTOE structured authorized UICs (e.g. Company A).

Coding Logic

Cost Centers for USACIDC were originally generated utilizing a 3* series numbering. USACIDC now functions within the Army's Global Combat Support System-Army (GCSS-A) ERP, which replaces many legacy logistical systems, such as the Property Book and Unit Supply Enhanced (PBUSE) system. GCSS-A technically requires Federated 4* series Cost Centers. Therefore, USACIDC was completely Federated for FY15 to have 4* series Cost Center numbers to support utilizing GCSS-A as well. To maintain consistency between GFEBS and GCSS-Army, Cost Center changes are allowed under specific conditions. Creating a new Cost Center requires a unique combination of the UIC-Paragraph on an approved Force Structure document or a structure Derivative UIC (DUIC) to reflect the MTOE units (e.g. WXXXA0 for Company A).

Informational Fields

In addition to the Cost Center code, there are many other data elements defined on the Cost Center master data record that are utilized for reporting or interfacing with other systems such as (but not limited to) Standard Hierarchy, Area of Responsibility, Name 4 and Interface Indicator (utilized if using ATAAPS for time tracking).

Activity Types

Overview

Activity Types, (i.e. Resource Pools) describes the kind of capacity of a specified resource within a Cost Center, typically measured in units of time, hours (HRS) or volume (BTUs), etc. Therefore, Activity Types (AcTypes) are used to assign capacity-related costs to consuming cost objects. Activity Types are used to plan, allocate and control costs. Activity Types are categorized as Labor Related versus Non-Labor Related. The most prevalent category is Labor Related which is structured to reflect the different types of Labor Related Resource Pools such as Civilians, Military, etc. Additionally, Non-Labor Related Activity Types are created as needed to reflect the capacity costs of Machines (e.g. Bulldozer \$/Hour) or Facilities (e.g. \$/Sqft).



Usage & Calculations

USACIDC's main capacity is work force, and therefore Labor Related. The transaction for associating the capacity consumed requires a *quantity* and *rate* to exist for the Cost Center and Activity Type. Table 1 below lists a summary of Activity Types utilized by USACIDC.

- Labor Related Activity Types – the Labor Related Activity Types have been defined for the ARMY as a whole, based on various Pay Plans and Series and encompasses all of the kinds of skills provided by labor resources utilized by USACIDC.
 - Civilian – For all Civilian related labor charges, the payroll costs remain on the Cost Center where the primary expense posting occurs. For entities tracking Civilian Labor to products/services, then Civilian Labor activity types are utilized to perform time tracking. USACIDC does not currently perform Time Tracking for Civilian labor hours and as such Labor Activity types are needed only to support the payroll process.
 - Military – Currently, USACIDC is not tracking time related to Military labor hours and output worked within GFEBS. However MIL Activity types are supported within the MilPay Payroll interface.
 - Local National – USACIDC does have Local National (LN) Payroll associated to organizational Cost Centers; therefore, LN Activity Types are utilized. See Payroll section for further information on LN Payroll.
 - Contractor – USACIDC currently does not track contractor Labor Hours to outputs.
- Non-Labor Activity Types – Currently, USACIDC does not utilize non-Labor Activity Types to assign out cost of capacity.

Table 1: Summary Utilization of Activity Types

Type	Area	Utilized
Labor	Civilians	Yes
Labor	Military	Yes
Labor	Local Nationals	Yes
Labor	Contractors	No
Non-Labor	NA	No



Internal Orders

Overview

Orders are a type of cost object utilized to capture the cost of an event (e.g. maintenance request, reason for travel) or a repetitive service (e.g. Military Card Processing). There are various kinds of Orders, such as Internal Orders (IOs) and Plant Maintenance Orders (PMOs). Within each kind of Order there are various Order Types which support the segregation of like-kind events.

Command Usage

USACIDC utilizes Internal Orders (Order Type ZFIN) within its Cost Model only to establish the default lines of accounting required to support the Italian and German LN Payroll processes. Additionally, Order Type ZUFL Internal Orders are automatically generated by UIC to support the Unfunded Leave process.

WBS Elements

Overview

Work Breakdown Structure (WBS) Elements are utilized to identify the sub-activities required to perform a Project. Additionally, WBS Elements are utilized to support the reimbursable processes (via the Sales Orders or the Direct Charge processes) for services provided within and external to the Army.

Command Usage

The main cost collector for USACIDC is the WBS Element in order to track the transparency, visibility and activity of the efforts being supported. In summary, USACIDC uses WBS Elements to:

- Collect any reimbursable costs for services provided
- Handle miscellaneous collections processes
- Manage Official Representation Funding (ORF)
- Provide funding to other entities via the Direct Charge process
- Track cost by purpose of travel, such as FBI, DFE CONFERENCE, etc.
- Capture costs related to types of training, such as DFE versus NEW CRIMINAL INVESTIGATION TRAINING



- Track costs of Functional Cost Accounts (FCAs) – a portion of the effort supported by USACIDC is related to FCA activities such as F9871 – MILITARY TRAINING SPECIFIC ALLOTMENT

Statistical Key Figures (Non-Financial Measures)

Statistical Key Figures (SKFs) represent the non-financial measures a command might want to track to support performance reporting and/or to be utilized to support Allocations. Currently, USACIDC does not utilize SKFs to track non-financial measures, outside of the ARMY-wide SKFs defined to support interfaces such as WARS and GCSS-Army. Examples of the kinds of AMMO-related SKFs are listed in Table 2 below:

Table 2: Sample SKFs Utilized

Statistical Key Figure	Unit	Description
WSKV	EA	FA AMMO SPT VEH (FAASV), G801, XM922
WSP4	EA	HVY EXP MOBIL AMMO TLR (HEMAT) M989, M98
WSY1	EA	OTHER ARTILL AMMO NOT SPECIFIC LISTED AB
WSY6	EA	COMPO FOR CONVENTION AMMO MAINT & RENOVA
WSYV	EA	OTHER TANK & ARMORED VEHGUN AMMO

Cost Elements

Primary Cost Elements

Primary Cost Elements track initial expenditures within the system and are defined for ARMY-wide. Therefore nothing specific for the USACIDC command has been developed related to primary cost elements.

Secondary Cost Elements

Secondary Cost Elements are utilized to track cost flows from initial expenditure to final cost objects. There have not been any Secondary Cost Elements generated specifically to address USACIDC requirements.



Business Processes

Currently the USACIDC Cost Model does not use Business Processes to track cross-functional business activities or activity-based costing.

Real Property

USACIDC does not have Real Property and therefore this cost object is not present within the USACIDC cost model.

Attributes (Custom Fields)

Currently, USACIDC is using several Custom Fields added to the base SAP master data elements of Cost Centers, Internal Orders and WBS Elements:

- Functional Cost Account (FCA) codes issued for tracking of specific reasons such as hurricanes and deployment related events.

Planning

USACIDC currently does not utilize any Cost Planning capabilities.

Capture Actuals

Payroll

Civilian Payroll will be disbursed out of the Defense Civilian Payroll System (DCPS) with financial transactions being recorded on a bi-weekly basis. The Budget LOA is defined within the Human Resources (HR) master data record for each employee. One item to note is the Funds Center for the paying Budget LOA is actually determined by the Funds Management business logic (i.e. FMDERIVE – A custom table inside the ERP platforms that associate Cost Management master data with Funds Management master data).

USACIDC is responsible to maintain both the Faces-to-Spaces document identifying the association of Activity types to Cost Centers and the calculations of the Rates. Additionally,



USACIDC maintains the HR LOA within ERPs and requests updates to the FMDERIVE related business rules necessary for payroll to post against the correct funding. For more information on Faces-to-Spaces see <http://www.opm.gov/oca/10tables/indexGS.asp>

Military Payroll currently comprises a portion of USACIDC's overall cost of operations. Currently the MILPAY appropriation is not being recorded in GFEBS but is scheduled for FY15.

Local National (LN) Payroll (e.g. 6100.28B0) is captured within the USACIDC Cost Model for the payroll related to organizations in Germany. USACIDC also receives payroll from the Italian Payroll system. The Italian payroll is treated as Direct, and therefore posts against the standard payroll accounts of 6100.1100 – 6100.12ZZ (similar to Civilian payroll) versus Foreign National Pay accounts of 6100.2800 – 6100.28ZZ. Local Nationals do not reside in the GFEBS HR master record but within the Germany and Italian Pay systems. The identification of which Activity Types to Cost Center and the calculations of Rates for Local Nationals is supported with a LN Faces-to-Spaces document located on the same website listed above.

Labor

USACIDC does not track Civilian Labor to products/services command wide. Therefore, Secondary Cost Elements, such as 9300.0100 for 'LABOR CHARGE – REG' are not currently used to assign the cost of labor from USACIDC-related Cost Centers to Orders and/or WBS Elements.

USACIDC does receive the benefit of Labor charges associated to an activity performed against Direct Charge-related WBS Elements. Therefore, USACIDC entities should understand Secondary Cost Elements related to Labor Activity Types to become familiar with charges when received from other supporting organizations.

Non-Pay/Labor

For Non-Pay/Labor costs, the individual initiating the budget execution action needs to indicate the organization and/or event (e.g. Internal Order or WBS Element) receiving the benefit of the non-payroll expense.



Depreciation

USACIDC receives depreciation postings for capital equipment tracked within the Property Book Unit Supply Enhanced (PBUSE) system. PBUSE is being subsumed by GCSS-Army as a part of the GCSS-Army Wave 2 rollout FY15 – 17.

In the interim, PBUSE interfaces with GFEBS to provide all transactional data to financially reflect the capital equipment acquisitions, destruction, lost and transferred. GFEBS utilizes the asset transactions in conjunction with depreciation schedules or equipment usage data received from Operating and Support Management Information System (OSMIS) to determine the Usage-Based Depreciation to post as the non-budget relevant cost of the equipment associated to each Organization or Unit (Cost Center).

Perform Allocations/Cost Assignments

Various kinds of Allocations/Assignments can be supported within the Cost Model. USACIDC currently does not perform allocations or cost assignments.

CM Data Load

Currently, USACIDC Cost Centers receive a non-budget relevant Training Ammo cost generated via the Worldwide Ammunition Reporting System (WARS) interface. The WARS interface is utilized to associate costs of training ammunition to the Units, in order to more accurately report the total cost of a Unit. The interface runs on a monthly basis for the data from the prior month. Information provided via the interface relates to:

- DODAAC – Department of Defense Activity Address Codes – will indicate the Ammunition Supply Point (ASP) issuing the ammo
- DODIC – Department of Defense Identification Codes – will indicate the type of ammo issued
- Quantity – will indicate how much of a particular type of ammo has been moved between an ASP and a Unit
- Price – will indicate the latest acquisition cost for each Unit of a particular type of ammo
- WARS Transaction Code – is a 3-digit code which will indicate whether the ammo was issued to the Unit or returned to the ASP



Reporting

No specific reports are associated for the USACIDC command only. Table 3 below provides a sample list of common Cost Management related reports used for all commands:

Table 3: Sample List of Common Cost Management Reports

GFEBS ECC Reports			
Area	Report Name	T-Code/ROLE	Benefit
Master Data – CCs	Display Cost Centers (CCs)	KS03 and KS13/ EPS_EC_CM_ECC_DISPLAY_RPTR_0000	Display individual or all Cost Center(s) Master Data within a Group (e.g. use the last 4 digits of the Fund Center to get all Cost Centers associated with the Cost Center Hierarchy of that Fund Center).
Master Data – IOs	Display Internal Orders (IOs)	KO03 and KOK3 / EPS_EC_CM_ECC_DISPLAY_RPTR_0000	Display individual or all Internal Order Master Data.
Master Data – WBSs	Project Info System: WBS Elements	CN43n	Displays all Projects and WBS Element Master Data.
Plan – AcType Rates	Activity Type (AcType) Price Report	KSBT/ EPS_EC_CM_ECC_DISPLAY_RPTR_0000	Displays AcType Rates Associated to a Cost Center.
Actuals – CCs	Cost Centers: Actual/Plan/Variance	S-ALR_87013611/ EPS_EC_CM_ECC_DISPLAY_RPTR_0000	Actual \$s for Cost Centers and AcType, SKF Quantities.
Actuals – IOs	Orders: Actual/Plan/Variance	S-ALR_87012993/ EPS_EC_CM_ECC_DISPLAY_RPTR_0000	Actual \$s for Internal Orders and SKF Quantities.
Actuals – WBS	Display Project Actual Costs Line Items	CJ13	Cost Line Item Postings to WBS Elements.
Actuals – Costs	Display Actual Cost Document	KSB5/ EPS_EC_CM_ECC_DISPLAY_RPTR_0000	CO Document Actual Costs for Transactions that have posted.
GFEBS BI Reports			
Area	Report Name	T-Code/ROLE	Benefit
Actuals – Costs	Cost by Reports	Cost by Cum Report / Cost Management Reporter.	BI Report displaying costs with various Attributes.



Considerations for Cost Model Updates

Table 4 below lists items for consideration for updating/improving the USACIDC Cost Model:

*****Notional example only – to be built with Command based on priorities*****

Table 4: Improvements to Command Cost Model

Code	Category	Description	Benefit	Timeline
1	Master Data	Review Cost Centers for Federation and GFMDI.	Aligns structures to future automated approach for maintenance of Cost Centers.	QX FY15
2	Master Data	Review WBS Elements for FCA codes related to OCO.	Supports mandatory reporting by FCA codes.	QX FY15
3	Master Data	Evaluate RESP CC on WBS Elements to support Settlements.	All WBS Elements have to be net zero eventually. Costs are assigned back to a Cost Center for the organization responsible or to follow-on products/services. Allows for deactivation of master data.	QX FY15
4	Actuals	Eliminate Payroll postings to WBS Elements.	Ensures Manpower reporting is correct. Payroll Accounts should not be used to move Payroll Costs to a WBS Element; only a Secondary Cost Element such as 9300.01VR LABOR VARIANCE should be utilized.	QX FY15
5	Assignments & Allocations - GFEBS	Generate Overhead Allocations.	Associate centralized and Indirect Costs to the benefiting organization.	QX FY15
6	Non-Financial Measures	Determine what Metrics USACIDC utilizes for performance and identify if they can be associated within the Cost Model.	Alignment of Output/Measures with costs for efficiency/effectiveness reporting.	QX FY15