Cost Accounting
The BCB’s Experience
Eduardo Russolo Ferreira

XVII Meeting of Accounting and Budgeting Aspects of Central Banking (CEMLA)
May 7, 2021
Timeline

1992
- Strategic Planning
  - Initial studies for the implementation of a cost system

2000
- Project
  - Early stages of the project to implement the cost system
- SCIG
  - Project Completion

2003
- Value Chain
  - Connection between the cost system and the value chain

2018
- Model Review
  - Connection with the Accounting and Budget systems and new reporting tools

2020
- Launch of the Cost and Management Information System
Objectives and Methodology

ABC Methodology
Activity Based Costing

- Measure and control administrative costs
- Support planning activities and the control of plan execution
- Identify the costs of services provided to society
ABC Methodology

**Resources**
- What was consumed?
- Resource Drivers

**Activities**
- Where it was consumed?
- Activity Drivers

**Objects**
- Everything the organization wants to know its costs, such as: products, services, administrative units, regions of operation, projects
<table>
<thead>
<tr>
<th>Servidor:</th>
<th>WILLIAM RODRIGUES ARAUJO</th>
</tr>
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<tbody>
<tr>
<td>Validade do Apontamento:</td>
<td>1 mês</td>
</tr>
<tr>
<td>Estado:</td>
<td>Sugestão</td>
</tr>
<tr>
<td>Aprovação:</td>
<td>Não-Aprovado</td>
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### Apontamento de Servidor para Ação

<table>
<thead>
<tr>
<th>Ação</th>
<th>Apontamento Mês Anterior</th>
<th>Apontamento</th>
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<tbody>
<tr>
<td>ADBHO_ADBHO - 06.001.011.006-Prestar informações para atendimento das demandas, recomendações ou determinações dos órgãos externos de controle e da auditoria independente no âmbito da unidade</td>
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<td>0%</td>
</tr>
<tr>
<td>ADBHO_ADBHO - 07.001.004.005-Gerir manuais de procedimentos e rotinas e manuais operacionais no âmbito da unidade</td>
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<tr>
<td>ADBHO_ADBHO - 07.001.005.002-Prestar consultoria em gestão de custos</td>
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<tr>
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<td>0%</td>
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<tr>
<td>ADBHO_ADBHO - 07.004.002.006-Atender demandas e recomendações da Auditoria Interna no âmbito da unidade</td>
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<td>10%</td>
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Formulation of monetary, credit, foreign exchange and international reserves management policies

Establish monetary, credit, foreign exchange and international reserves policies

Provide analysis and information about the economic conjuncture, applied studies, projections and prospective scenarios

Prepare a presentation about the national economic scenario
## Value Chain

### Macro Processes (Level 1)

- Formulation of monetary, credit, foreign exchange and international reserves management policies
- Formulation of guidelines for stability, efficiency and regulation of the National Financial System
- Provision and supervision of the National Financial System infrastructure
- Institutional relationship in the country and abroad
- Organizational management and support

### Macro Products

- Stability of the currency purchasing power
- Sound, efficient and competitive financial system
- Financial market infrastructure
- Institutional relationship
- Management and support
# Value Chain Report

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021*</th>
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<tbody>
<tr>
<td></td>
<td>Cost (R$1)</td>
<td>FTE</td>
<td>Cost (R$1)</td>
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<tr>
<td><strong>Total Costs</strong></td>
<td>4,677,774.030</td>
<td>3.447</td>
<td>4,880,870.12</td>
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<td>Stability of the currency purchasing power</td>
<td>128,505.965</td>
<td>251</td>
<td>136,754.800</td>
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<td>Sound, efficient and competitive financial system</td>
<td>379,226.688</td>
<td>795</td>
<td>402,150.694</td>
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<td>Financial market infrastructure</td>
<td>633,873.670</td>
<td>176</td>
<td>332,658.308</td>
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<tr>
<td>Institutional relationship</td>
<td>229,732.839</td>
<td>312</td>
<td>204,771.912</td>
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<tr>
<td>Management and support</td>
<td>935,812.625</td>
<td>1,605</td>
<td>893,091.445</td>
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<tr>
<td><strong>Organizational management and support</strong></td>
<td>935,812.625</td>
<td>1,605</td>
<td>893,091.445</td>
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<tr>
<td>Manage assets and supporting services</td>
<td>218,816.406</td>
<td>319</td>
<td>204,594.244</td>
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<tr>
<td><strong>Manage purchases and contracts</strong></td>
<td>138,408.281</td>
<td>175</td>
<td>142,586.307</td>
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<td>07.008.001.004 Manage contracts</td>
<td>89,275.475</td>
<td>105</td>
<td>90,626.530</td>
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<tr>
<td>07.008.001.002 Perform purchases and contracts</td>
<td>21,100.641</td>
<td>42</td>
<td>20,025.746</td>
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Technological Infrastructure

Cost System Environment
Sistema de Custos e Informações Gerenciais (SCIG)

ETL PROCESS

ABM
Activity Based Management

MAPT
Módulo de Apontamento

MIG
Data Warehouse

MicroStrategy

End User

Accounting
Personnel
Budget
Contracts
Travels
Material Supply
Others
The system allows to:

- Identify the costs of all activities and processes required to provide services to society;
- Measure the resources used by each administrative unit, departments and divisions;
- Measure project costs;
- Compare the costs of activities over time;
- Measure the cost of services provided to third parties, supporting the collection of administration fees.
Practical Uses

• Studies about workforce allocation and processes automation;
• Studies about mobility and selection processes;
• Pricing of services provided to third parties;
• Regional or unit cost analysis.
Challenges and Developments

Create an interconnected information environment that includes cost, accounting, budgeting, personnel and finance systems.

Improve communication and reporting tools to encourage full use of cost information in the decision-making process.
Thank you!

Eduardo Russolo Ferreira
Deputy Head of Department
Accounting, Budget and Financial Department