

Roseburg Forest Products Takes Weeks Off Their Provision Process with CrossBorder Solutions

Summary

Roseburg Forest Products needed to find an alternative approach to complex, messy Excel spreadsheets and manual processes. They needed to maintain ownership of the data but wanted to explore a more automated, software-based approach. Choosing CrossBorder Tax Provision, the team was able to achieve greater efficiency, ensure calculation accuracy, and shaved weeks off their provision process timeframe.

About Roseburg Forest Products

Headquarters: Springfield, Oregon USA

Industry: Wholesale timber products. The privately owned company manufactures everything from engineered wood to particleboard to wood chips, and it's the largest family-held wood products company in the United States.

Number of Employees: 3,000 +

Revenue: \$1.47 billion

Offices: U.S. and Canada

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Andrea Evans

Tax Manager, Roseburg Forest Products



**Finished the provision
3 weeks early**



**Tied out 80% of
deferreds for the
first time**



**Automated up to
70% of their
provision processes**

Journal Entries Finally Tie Out (Easily) for Roseburg Forest Products

Like for many companies, the year-end financial close is a stressful time of year for Roseburg Forest Products. Headquartered in Springfield, Oregon, with manufacturing plants in nine states, plus one in Canada, the mid-sized privately owned timber company has been saddled—or blessed—with skyrocketing sales and excess customer demand.

Sure, it's a good problem to have, but eventually, each year, Roseburg's new record number of business transactions trickles down to the company's general ledger and launches the five-person tax department into a tax-reporting frenzy. No one feels the rise in adrenaline more than Andrea Evans, the tax manager charged with funneling all of the ledger's journal entries into the department's most important calculation: the income tax provision.

Unlike a lot of tax managers who can't stand the pressure, or the minutia involved in calculating the income tax provision under ASC 740—gathering invoices, verifying payroll records, reconciling book-to-tax adjustments, and so on—Evans relishes this part of her job.

"I started working here seven years ago as an income tax manager. I spend 95% of my time tackling other stuff, so I get excited when it's time to do the accrual," Evans says. "I like taking the financial statements and results and seeing how they play out under tax laws and all that. It's a really interesting part of tax."

While viewing financial data through a tax lens engages Evans, tying out the tax accrual journal entry frustrates her. "In the past, we struggled with journal entries. They never balanced out and it was so time-consuming to figure out why," she says.

In the past, to calculate the income tax provision, the company had used Excel, which was a huge part of the problem. Excel wasn't built for such a complex and layered calculation, and it slowed Roseburg's provision process and made it cumbersome for Evans.

"We worked off of spreadsheets we inherited from one of the Big Four," she explains. "There were disjointed formulas; things didn't always flow the way they should have; and the process took forever. It was clunky. Over time, formulas had gotten broken or disconnected from where they needed to be—it's what happens when you're creating formulas in Excel and rolling them forward for years and years and years."

Time for a Change

Evans knew Roseburg's provision process needed revamping. She wanted to make the process easier and more efficient, but most importantly, she craved a solution that gave her more ownership of the calculation process. Working off of her consultants' spreadsheets, Evans spent too much time going back and forth on calls trying to figure out how another company configured Roseburg's data.

"We didn't feel like we had ownership of the process because we needed their help so much with the files. We never had time to tie out the deferreds. We didn't have time to know if the balances were right, so we needed more ownership," says Evans.

Roseburg also wanted a solution that was affordable and easy to use. Since the company was experiencing great success with CrossBorder Solutions' transfer pricing software, they looked to CrossBorder Solutions once again.

CrossBorder Tax Provision promised to solve a lot of the issues caused by Excel—and it would give Evans the ownership she sought. Evans would be able to reconfigure her data: She would be able to break out deferreds by account instead of having them randomly bunched. She would be able to integrate Roseburg's Canadian operation with their domestic divisions and run them parallel and would have the luxury of customizing her own reports. To put it simply, with CrossBorder Tax Provision, Evans would call the shots.

The software would also automate up to 70% of the provision, saving Evans precious time. And if those journal entries didn't tie out, CrossBorder Tax Provision's drill-down feature would be able to trace numbers back to their source. The cost was appealing, too.

"When you look at the cost of other software products, the cost isn't even comparable."



Cost-efficient

High-tech Tax

In October 2022, Roseburg began to implement CrossBorder Tax Provision, a month-long process that involved taking 2021's data and calculations and replicating it in the software. The goal was to do away with the Big Four spreadsheets starting with 2022's calculation and tackle the provision with technology from beginning to end.

"I wanted to get familiar with the software, so there was no looking back to the Excel documents in 2022," she says. "It would be software going forward."

CrossBorder Solutions' provision team helped Evans onboard and acclimate to the technology. Together, they customized Roseburg's configuration, and then Evans played around with the technology herself, seeing if balances flowed from one tab to another, documenting calculations, formatting files, and getting used to how the software thinks.

The technology was intuitive, but there was a learning curve. "I had to think about how I wanted reports to look going forward versus just repeating how we had done them in the past," she says.

After just a month, Evans was ready to say goodbye to Excel and tackle Roseburg's 2022 income tax provision via software. "It was easy and efficient. If I can learn to use it, anyone can."

"Using CrossBorder Tax Provision was easy and efficient. If I can do it, anyone can."



Easy to use

Roseburg's 2022 tax provision is the best proof of that. "The process was faster, easier, and the reports are much cleaner than the messy reports I had before," Evans says. Organizing the data was seamless, and Evans was able to get more out of her reporting, including a full state calculation, which Roseburg didn't have previously.

As for those complicated journal entries, they no longer frustrate Evans. Now, they balance out and are just as interesting as the rest of the provision.

High-tech Tax

“With the software, my journal entries balanced, and I was able to tie out 80% of my deferreds, which we never had time for before,” Evans says. “It also reduced a lot of stress and gave me back so much time to be more efficient in other areas.”

“We typically have five or six weeks to do the provision... With CrossBorder Solutions’ tax provision software, we were weeks ahead.”



Saves up to 40% of the time you spend on the income tax provision

Efficient, indeed. Evans completed Roseburg’s 2022 provision three weeks early.

“We typically have five or six weeks to do the provision before giving it to finance to post the journal entry. In Excel, we struggled to get there. With CrossBorder Solutions’ tax provision software, we were weeks ahead.”

The Intelligent Approach to Tax

Yesterday’s compliance approaches are no match for today’s increasingly complex, dynamic regulatory environment. CrossBorder’s tax compliance solutions deliver unmatched total value with modern, intelligent technology that minimizes risk, reduces or eliminates manual, error-prone processes for greater accuracy, and enables our customers to strengthen their tax position with valuable insights and forecasting. Our solutions come with flexible support options, transparent, competitive pricing and free audit support. Visit xbs.ai for more information.

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