



SANDI HOLTZMAN, CPA
Senior Tax Manager

NAVIGATING

the “perfect storm” with XCM.

Jamestown

From managing tremendous volume to unforeseen staffing changes, Jamestown’s partnership with XCM prepares the company for any situation.

Jamestown is a commercial real estate company that acquires, manages and sells U.S. commercial real estate on behalf of German investors. Jamestown employs about 100 people in its Atlanta headquarters offices, divided into groups that manage the real estate acquisition, real estate management and reporting function.

The reporting group operates like a public accounting firm within a private company, providing a full spectrum of tax and accounting management for its clients. However, both the volume and complexity of its work, as well as its yearlong tax cycle, distinguish its operations from that of a typical public accounting firm.

Jamestown has a fiduciary responsibility to its clients – managing properties on their behalf and negotiating the sale at the most advantageous time. The funds vary in size up to the largest at 13,500 partners. In all, Jamestown works with approximately 60,000 German investors.

Jamestown began using XCM in its 22-person tax group in early 2010 to help them better track work through the tax department. They prepare 100 partnership entities that flow out to 60,000 tax returns for the individual investors. To manage this volume, Jamestown processes its returns in batches of 500 and has worked to develop custom tax software that enables it to more easily manage batch processing.

However, like many traditional firms, Jamestown had used Excel spreadsheets to track its various tax preparation processes, prior to adopting XCM workflow automation software. This method created bottlenecks because only one person could access the spreadsheet at any given time, and the manually updated file could not generate the reports required to effectively manage all the work processed by the tax department.

The Perfect Storm

In the spring of 2010, Jamestown had learned that five members of its tax department would be out on maternity leave during the last quarter – the company’s busiest time of year due to filing deadlines for non-resident immigrants. It would lose another essential member of the team whose spouse had to relocate during the same time. Understandably, members of the company’s management team were concerned about the ability of the tax department to manage its workload without six key members of its team.

To help them more effectively manage their tax compliance, Jamestown adopted XCM. As a result, in anticipation of the late season crunch, internal departments coordinated more effectively to set internal deadlines and ensure that they were meeting those deadlines. Scheduling was tightened up considerably to manage effectively with fewer staff members. XCM empowered them to see their progress at various stages and more easily anticipate and address potential bottlenecks.

CPA.com Client Success Story: Jamestown

Fast forward to 2015, when an all-too-familiar storm again began to brew. Jamestown's tax department faced a similar staffing crunch as three tax professionals were out on maternity leave, around the same time that the tax director retired and a fifth member left the organization. This time, the team was ready.

Jamestown's Senior Tax Manager Sandi Holtzman recalls, "We had another perfect-storm situation earlier this year. But this time, we weren't worried because we knew that reassigning the work would be easy with XCM. In fact, today we're realizing even greater efficiencies with XCM, as we're also using the software to manage processes for estimated payments, partnerships that require notice 88-89 and 263A calculations."

Once again, XCM empowered Jamestown to better manage its processes in order to more easily see how work was progressing and automatically notify staff members when work was assigned to them – without placing paper files in their offices. By setting up estimated tax payments, including both corporate and partnership quarterly payments, as automatically recurring tasks, the team had the additional peace of mind that nothing would be inadvertently missed. And tracking the calculations in XCM allowed them to start earlier to get ahead of the partnership tax return process.

"The critical issue is making sure that everything is mailed to the IRS in a timely manner, which is no small feat when we're literally talking about hundreds of partnership returns and thousands of individual returns all with various IRS due dates," said Holtzman. "At any given time, I can tell exactly not just where in the process those batch returns are, but also if they've been completed, printed and shipped to our German office based on the workflow."

Having weathered two storms already, Jamestown considers XCM a strategic solution, instrumental to helping them manage both the tremendous volume and specific nuances of the work they perform. The company's goal is to continue to identify ways to extend its use of the software both within its tax department as well as other lines of business in its U.S. operations.

Contact us today!

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Learn more at:

CPA.com/XCM



STATS AT A GLANCE

Firm Profile

Jamestown was established in 1983 as an investment and management company focused on income-producing real estate in the United States. Over the last 32 years, Jamestown has expanded into a national, vertically integrated real estate operator with approximately \$9.4 billion of assets under management.

Jamestown's capabilities include: acquisitions, capital markets, property management, asset management, retail leasing, design, sustainability and risk management.

Locations

Atlanta, GA; New York, NY; Washington, DC; Boston, MA; San Francisco, CA.

Staff

> 240