

Keystone improves capital expenditure tracking



Based in Nashville, TN, Keystone Education and Youth Services meets the educational needs of more than 3,000 troubled youths in 13 states. The organization has earned a reputation as a national leader in the field of education, treatment, and juvenile justice. Working in partnership with school boards, physicians, judges, managed care providers, social workers, parents, and local, state, and federal agencies, Keystone applies its expertise to tailoring cost-effective solutions as unique as each individual need and situation.

Keystone offers a variety of services, including educational, residential, detention, and acute psychiatric care at its 58 facilities. In order to track fixed assets, each location maintained its own spreadsheets and utilized different methods of depreciation. This decentralized system proved cumbersome and made it difficult to tie reports to the general ledger and generate tax reports.

The company searched for a way to centralize its fixed asset accounting processes, improve accuracy, and gain the ability to reconcile data with its general ledger. Widely used by its peers, Keystone considered only Sage Fixed Assets—Depreciation and purchased the solution from a Sage business partner.

Increased accuracy and control equals tremendous value

Sage Fixed Assets—Depreciation helped Keystone successfully achieve its fixed asset management goals. “We wanted to establish more accurate fixed asset records, as well as solid depreciation, capital expenditure, and in-house tax processes,” says Brad Gardner, Keystone’s assistant vice president and corporate controller. “Sage Fixed Assets has given us a centralized system—so depreciation gets booked more accurately and timely than before. Plus, we’re able to better manage how depreciation is calculated. That’s provided tremendous value to the accounting department.”

Challenge

Centralize fixed asset processes and improve accuracy and control.

Solution

Sage Fixed Assets—Depreciation and Sage Fixed Assets—Reporting—part of Sage Fixed Assets, an advanced fixed asset management and reporting solution.

Customer

Keystone Education and Youth Services

Industry

Service

Location

Nashville, Tennessee

Number of locations

58

Number of employees

3,500

System

Sage Fixed Assets

Modules

- Sage Fixed Assets—Depreciation
- Sage Fixed Assets—Reporting

Results

Eliminated costly outsourcing fees by bringing tax depreciation in-house; improved accuracy of records and control of capital expenditures; gained ability to reconcile fixed asset data to general ledger.

With Sage Fixed Assets—Depreciation Keystone also has the ability to match fixed assets to approved capital expenditure requests, giving the company a higher level of control over purchases. “We can produce reports that show the breakdown of assets by facility and classification, which is very useful in determining which of our facilities are in expansion mode and which ones need to replace or upgrade equipment,” says Gardner.

Flexible reporting easily handles unusual tax situation

Keystone can also generate any report it needs—thanks to Sage Fixed Assets—Reporting. Adds Gardner, “Sage Fixed Assets—Reporting enables us to create monthly reports of all our fixed assets—so we can reconcile that information to our general ledger. It’s so easy to produce. All we have to do is change the date, and the report is ready in seconds.”

“Sage Fixed Assets—Reporting was also helpful in managing different tax and fiscal year ends,” says Gardner. “We only needed to account for one half-year of depreciation in our books for tax purposes, and Sage Fixed Assets was able to handle the special tax situation without any problems. We simply wrote the report to include the exact data parameters we needed.”

In-house tax preparation equals instant return on investment

Prior to implementing Sage Fixed Assets, Keystone utilized an outside accounting firm, costing thousands of dollars in fees, to run its tax depreciation. “With Sage Fixed Assets, we’ve eliminated costly outsourcing fees from our department’s budget, because we’re now able to do all of our tax calculations in house,” says Gardner. “Additionally, Sage Fixed Assets helps us save time when it comes time for audit preparation, since we have all the information at our fingertips, instead of dispersed throughout our 58 locations.”

In the future, Keystone plans to further increase productivity by using the direct link from Sage Fixed Assets to its general ledger.

Gardner concludes, “Keystone gets the results it wants and needs from Sage Fixed Assets. The product was easy to install and use, and it made a fast, significant impact on our fixed asset accounting processes. I’d recommend Sage Fixed Assets to anyone, especially someone needing a great solution at a reasonable price.”

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Assistant Vice President
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Keystone Education and Youth Services

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