

## Case Study

# TaxAct

Embarking on Independence:  
TaxAct's Transition to Workday Financials



**Industry:** Software as a Service



**Employees:** >300

### Company Summary:

TaxAct is a leader in the tax preparation industry, focused on providing affordable solutions for electronically filing taxes. Since its founding in 1998, TaxAct has e-filed more than 90 million tax returns and was the first to provide free filing services. TaxAct was historically operated within a larger corporate framework alongside another entity.

Before partnering with Kognitiv, TaxAct operated within a larger corporate framework alongside other entities, all utilizing Workday Financials. Following separation from the parent structure, TaxAct aimed to continue using Workday Financials with their historical data, replicating the existing configuration from the parent tenant.

During this process, TaxAct faced the challenge of converting seven years of GL data at the transaction level while preserving original support attachments from the parent tenant and attaching them to data conversion entries in their new tenant. Proposed solutions included leveraging Prism or creating a separate data repository/SFTP site organized by reference number for each conversion journal.

These approaches to data conversion posed several challenges for go-live:



#### Volume

The seven-year data conversion encompassed approximately 100,000 journals and 700,000 journal lines, each requiring unique attachments.



#### Source of Attachment

Journals during the conversion period were from various sources, requiring a solution that must extract across several types of transaction with deeper investigation.



#### Data Conversion Challenges

Normalizing cross-tenant configuration differences required significant effort.



#### Intercompany Affiliates

The GL data from the parent tenant contained intercompany affiliates for companies not present in the new tenant, necessitating special handling during data conversion.

TaxAct leveraged Kognitiv's support to develop a solution for historic data conversion and attachment extraction. With a clear goal to ensure that users could easily drill into transactions and locate attachments as if they had originally been posted in the new Workday tenant, without summarizations or external links. This project required a unique and complex workflow to achieve the desired results:

#### GL Data Extract

GL data was extracted from the parent tenant, Kognitiv then translated those amounts into journals to load into the new tenant by utilizing custom automation.

- ✓ This allowed normalizing data for changes, like REFID differences.
- ✓ Starting with the earliest period's beginning balances and working forward, GL data could be tied out to historical financial statements.
- ✓ We leveraged reversing journal functionality in Workday, so reversal entries could be linked to their source transactions (and relevant attachments.)

#### GL and Attachment Data Load

Kognitiv collaborated with TaxAct to load the historic transactional journals by EIB, referencing original Journal Sources, year-by-year to the parent tenant. After loading, a custom script was executed, which iterated through all journals and made the requisite attachments.

#### Validation

Kognitiv developed automated GL data validation tools, as well as attachment count reports and methods, to accelerate the process of validating the completeness and correctness of the resulting data.

#### Attachment Data Extract

Using custom automation, Kognitiv extracted attachment data, queried several data sources, moved the files to a SFTP site, and organized them to be matched to their source journals when loading into the new tenant.

#### Rounds of Testing

Between rounds of testing in IMPL tenants, Sandbox, and then the load to PROD, TaxAct and Kognitiv loaded approximately 500,000 journals, and 3.5 million journal lines in this manner, with all attachments.

The following workflow was executed to achieve the desired results:

Parent Tenant



Temporary sftp



TaxAct  
New Tenant

THE CHALLENGE

THE SOLUTION

THE IMPACT

TaxAct engaged Kognitiv for these efforts a few months before the planned go-live date, and the project successfully went live on time. All seven years of detailed financial data are available in the new Workday tenant as Conversion journals, with attachments, as if they were posted there originally, with no need for an external data repository for attachments.

“Very thankful for the innovative minds at Kognitiv for our Workday Financial Implementation. They stepped in and saved the day for our implementation to go live without delays. They were able to bring automation to load years of historical data accurately, with attachments at a critical time in our project ... We are grateful for your amazing skills, hard work, and dedication with our Workday Implementation.”

– Julie Scroggins, Workday System Administrator

