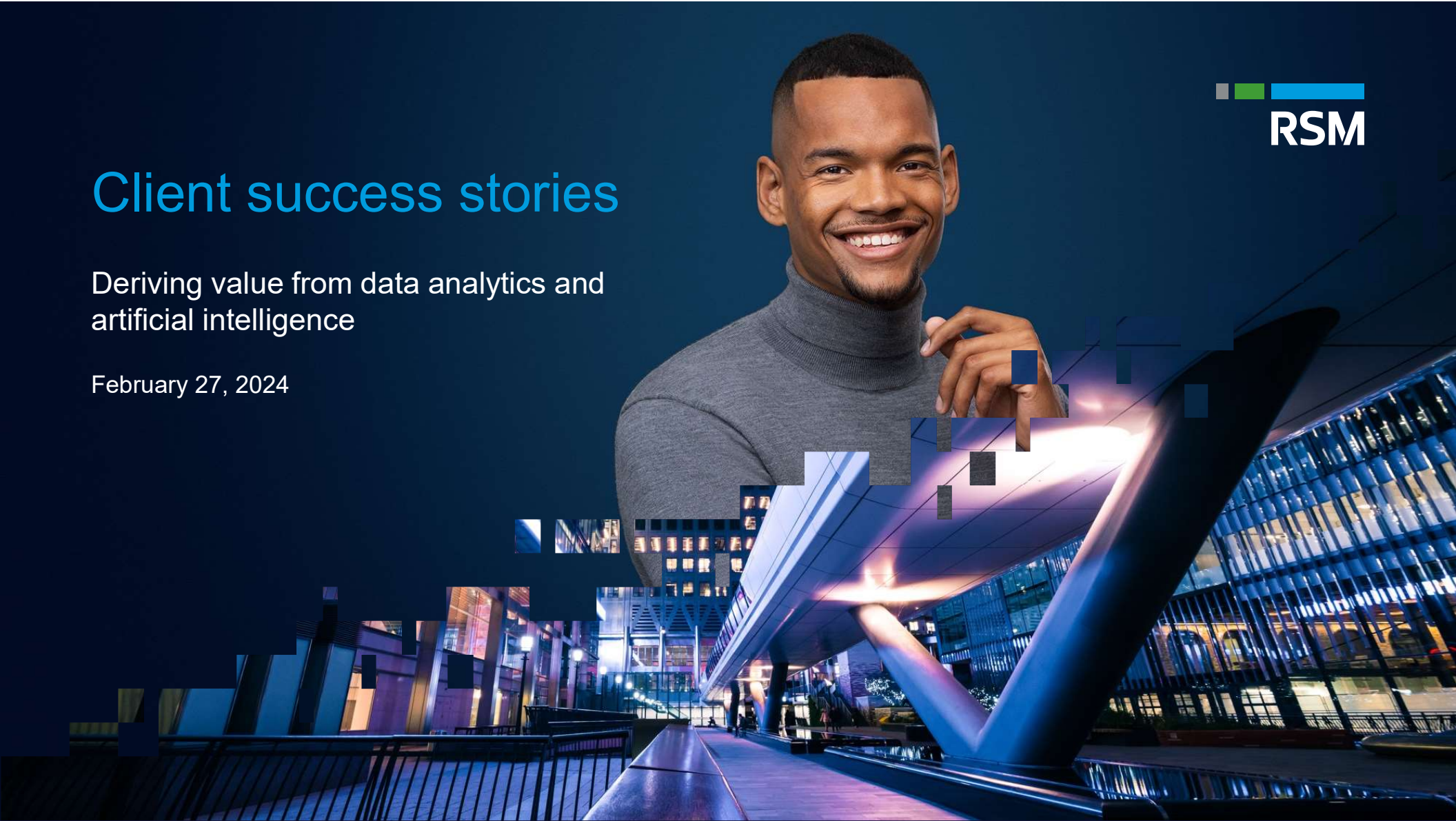




# Client success stories

Deriving value from data analytics and artificial intelligence

February 27, 2024



# Agenda

- 01 Today's presenters
- 02 Introduction
- 03 First case study – City of Kelowna
- 04 Second case study – Quadreal
- 05 Third case study – American Planning Association
- 06 Fourth case study – Gillette Children's Speciality Hospital
- 07 Q&A

# Presenters



**Robbie Beyer, Director**

San Diego, CA, USA  
City of Kelowna case study



**Michael Charette, Partner**

Toronto, ON, Canada  
Quadreal case study



**Joy Cruz, Principal**

Chicago, IL, USA  
American Planning Association  
case study



**Joe Knoll, Supervisor**

Kansas City, MO, USA  
Gillette Children's Specialty Hospital  
case study

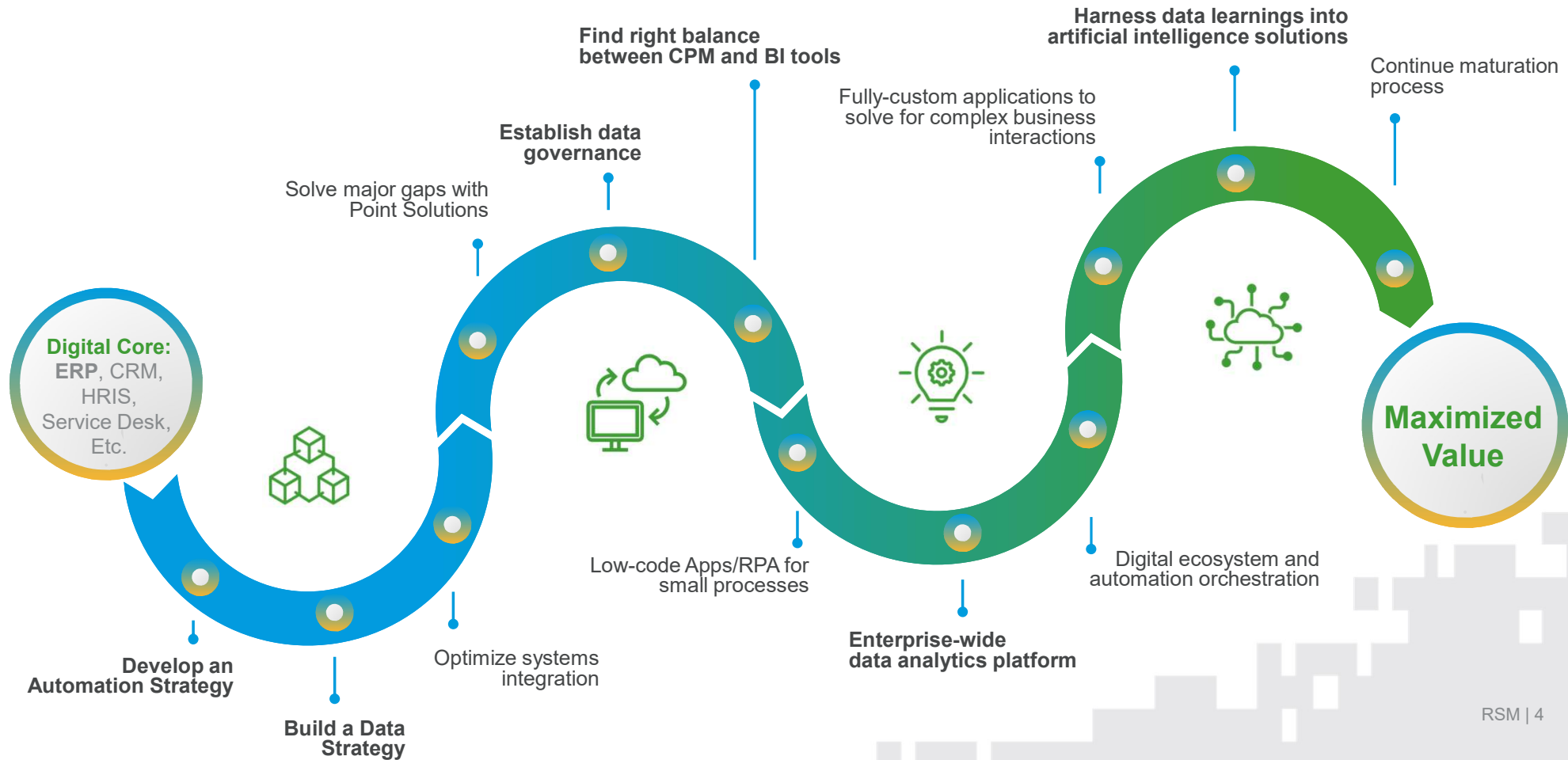


**Ron Draganowski, Principal**

Minneapolis, MN, USA  
Emcee

# The digital transformation lifecycle

## Path to maturity





# City of Kelowna

Robbie Beyer

# Path to enterprise AI



## Enterprise AI

An organization planning to implement AI across its entire organization intends to deploy a transformative solution(s), resulting in increased efficiency, improved outcomes, and a more competitive position in its industry.



## External AI (or Customer Facing)

External AI-powered tools or solutions should provide a competitive advantage and enhance customer satisfaction.



## Pilot AI / Proof of Value AI

An organization piloting AI is researching the potential benefits of integrating an intelligent solution into its business processes and sets a technology foundation



## Use Case Specific (Internal)

Using AI as a point solution involves implementing a specific AI-powered tool to address a particular business challenge.



### Ethics

- Transparency & Exploitability
- Accountability
- Bias & Integrity



### Organization

- Organizational Design
- Talent Model
- Culture



### Process

- ROI & Funding
- AI Governance
- Delivery



### Technology

- Tools & Architecture
- Security & Continuity
- Deployment Models



### Data

- Enterprise Data Strategy
- Data Management
- Data Governance

## CASE STUDY



Plan



Assess



Analyze



Implement



Manage

# Digital transformation in the age of AI for City of Kelowna

## Industry

- Public Sector, Municipality

## Services

- Roads & Transportation
- City Services (e.g., Park, Utility, Water, Waste, etc.)
- Business Services (e.g., vendor opportunities, permits and license)

## Related Issues and Trends

- Top-down digital culture mindset
- Established high-caliber teams to drive innovation and adaptability
- Embedded tracking through reporting

## Project Background

The City of Kelowna has established a strong digital transformation foundation by successfully executing multiple strategic initiatives with RSM, including an Information System (IS) Strategy and a Data Strategy. As one of the initiatives in the 3-4 years roadmap that came out of the IS Strategy, the City was seeking consulting services from RSM to assist in creating an agile Digital Transformation and Automation Strategy. The engagement ultimately sought to find opportunities for automation across the City's IT and business departments.

## How RSM Supported / Services

- RSM designed and deployed a Digital Service Discovery survey to the staff to elicit automation opportunities for the creation of an Automation Product Backlog and Year-1 Release Backlog for service digitization, leveraging multiple surveys to identify automation opportunities, resources required, and potential cost-savings.
- RSM helped the IS department to operationalize the process for capitalizing on artificial intelligence and automation opportunities by building an Automation Journey Framework.
- RSM helped to develop an Automation Product Backlog and developed a Product Roadmap that includes concise business cases that showcase Total Cost of Ownerships (TCO) and total cost savings to ensure organizational buy-in and secure senior management team support.

## Outcome

- Development of an AI and Automation Intake Portal and automation of initial cost saving and prioritization metrics
- \$1.4 M in annual savings identified during initial round of opportunity intake
- Several quick wins opportunities immediately executed, which built organizational buy-in and secured additional budget
- Development of an AI and Automation Governance Committee within the organization to continue reviewing opportunities

# Path to enterprise AI: City of Kelowna



## Organizational challenge

A consistent problem for local governments is facilitating the building permitting process and applying for grants to help fund city projects and initiatives. The City of Kelowna looked to AI and RSM to deploy cutting-edge applications that would solve both pain points.

## Generative AI: foundational proof-of-value use cases



### Grant writing – AI assistant application

**Challenge:** The grant application process is a *technical* and *time-consuming* task. The City struggled with resource constraints to respond to all potential grant opportunities.

**Solution:** The RSM team developed a Grant Writing AI Assistant to *facilitate* the grant application process and *write the first draft* of grant proposals.

**Results:** The AI application *saves* the Grants team *15+ hours per week, per team member* and allows the City to capture *millions* in additional funding opportunities, reducing the tax burden on citizens. The RSM team developed the AI application in less than 8 weeks, demonstrating *quick time to value* with *AI governance included*.



A + OpenAI



### Facilitating building permits with AI

**Challenge:** *Housing and construction shortages* are one of the largest issues facing governments today, while *permitting is one of the longest* parts of the process to help address the problem.

**Solution:** The RSM team developed a Building Permit AI Assistant to help *facilitate* the building permit process in a *friendly, chat-like experience*.

**Results:** The length of the permitting process is reduced *from months to days*. The foundation created for the building permits use case is being used to handle additional permitting needs across the City, helping reduce time to value horizons and *maximize the client investment* in AI technology.



A + OpenAI





# Outcomes driven at Kelowna with AI



## Solution results



Higher volume of work output that would have previously required human time



Streamlined building permitting and grant application processes



Alignment of business and technical stakeholders in AI deployment



## Business impact

**Time Savings:** 15+ hours *per week, per team member*



**\$\$ ROI:** reduction in taxpayer burden and increased economic development



**Employee/customer experience:** improved productivity and satisfaction



## Other benefits

- Establishing foundation for enterprise adoption of AI
- Reduced apprehension of AI deployment across business units
- Ability to ideate on new business capabilities not accessible before generative AI capabilities
- Minimal to none ongoing support required by IT – solutions owned and operated by business domain teams

# On the horizon for Kelowna

## Continued investment in AI



Use cases in **homelessness, recreation, landfill/waste**, and other social impact opportunities



Further opportunities to **alleviate the tax burdens** on citizens



Continue improving both the **citizen and employee experience**





# QuadReal Property Group

Michael Charette

# Case study



## QuadReal Property Group: Automated REIT testing

### Company profile

QuadReal is a global real estate company head officed in Vancouver, British Columbia, Canada. QuadReal has over \$73.8 billion in assets under management across Canada, the U.S., the UK, Europe and Asia Pacific

### What is REIT testing?

A real estate investment trust is a corporate investment vehicle for real estate that allows investors to acquire ownership in commercial and residential real estate in a tax efficient manner

To enjoy the favorable tax treatment, REITS must comply with a very specific and complex set of rules which are tested quarterly.

- **Ownership:** An organization must be a corporation, trust or association
- **Dividends:** A REIT is required to pay a dividend of at least 90 percent of its taxable income each year.
- **Asset Test:** 75% of the value of a REIT's total assets must be represented by real estate
- **Income Test:** At least 75% of a REIT's gross income must be derived from rents and 95% gross income must be derived from sources included in the 75% test as well as from earnings from certain types of portfolio income

### CHALLENGE

QuadReal Property Group conducts all REIT testing internally through predominantly manual Excel processes. While suitable for the present volume, this approach lacks scalability as the business expands, hindering tax subject matter experts (SMEs) from allocating time to other critical tasks.

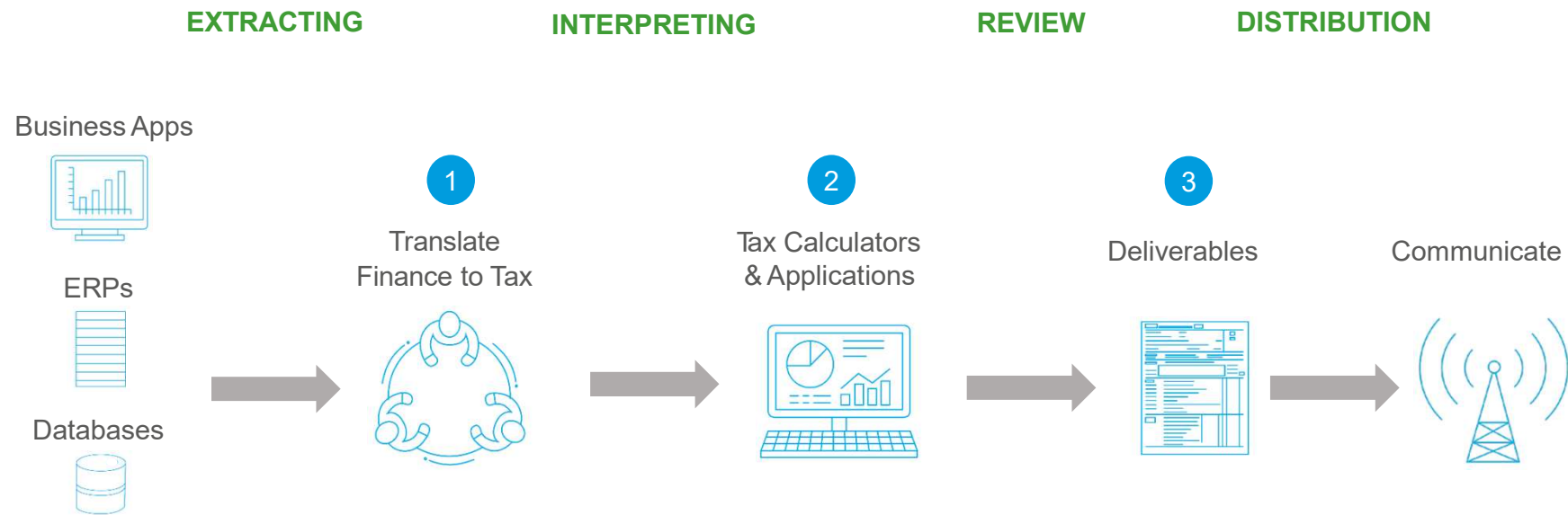
### DESIRED CHANGE

- Simplify and automate data collection processes.
- Automate the execution of standardized REIT tests.
- Ensure standardized reporting outputs across all REITs.
- Automate validation and implement quality controls.

### APPROACH

- RSM conducted a comprehensive process review to capture existing procedures, business needs, and the intricacies of QuadReal's REIT test calculations.
- An automated Extract, Transform, Load (ETL) process was devised to collect and align information to a unified data model for REIT testing.
- Calculation intricacies were translated into model functions to facilitate automated execution of required tests.
- Output reports were standardized, accompanied by a control log enabling user validation of executed tests.

# Typical data flow for tax compliance



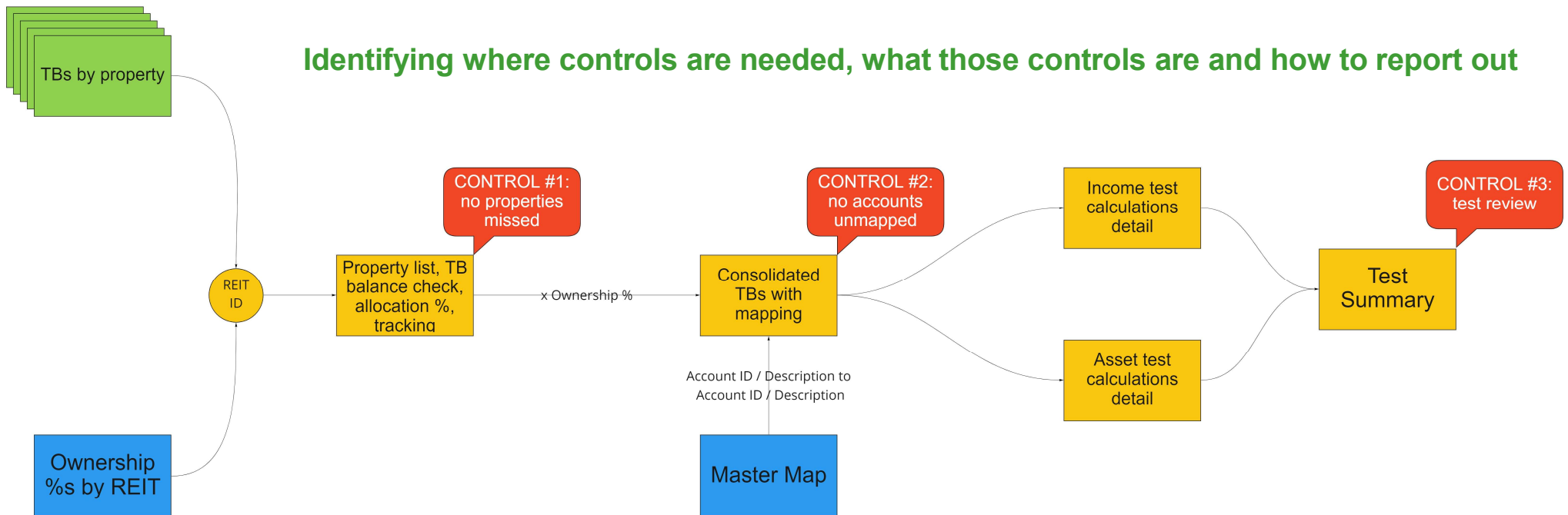
## Primary challenges identified from discovery with QuadReal

1. How can we automate the translation of finance information to tax?
2. How can we automate the execution of REIT testing rules?
3. How can we output the results for review at scale?

# REIT testing data flow



Identifying where controls are needed, what those controls are and how to report out



# Tax data model



## 2.2 Asset Test

**Note:** Filter TB data by Balance Sheet for Asset test Calculation

#	Description/Clause	Formula	Source
1.1	Total Gross Assets (Total of all Qualifying and Non-Qualifying Assets)	[Sum_Total_Gross_Assets] – total of all assets in all properties  Filter by: [Source] – “Balance Sheet” [Section] – “Assets” [Testing Category] <> “Reconciliation Items”  Group by: [Testing_Category] -> Sum on [REIT_Share]	Mapped TBs and REIT Property Ownership Tracker
1.2	Qualifying Assets	[Sum_Qualifying_Assets] – sum of all Qualifying Assets (classified as 75% Asset Test) from mapped TBs  Filter by: [Testing Category] – “75% Asset Test” [REIT Grouping <> Non-Qualified]  Group by; [Testing_Category] -> Sum on [REIT_Share]	Mapped TBs and REIT Property Ownership Tracker
1.3	75% Asset Test Value	[75%_Asset_Test_Value] – for 75% Asset Test, Testing Category – Only “Qualifying Assets” are used to determine calculations  Division: [Sum_Qualifying_Assets] / [Sum_Total_Gross_Assets]	Mapped TBs and REIT Property Ownership Tracker
1.4	75% Asset Test Result	[75%_Asset_Test_Result]  IF [75% Asset Test Value] > 0.75 THEN “Pass” ELSE “Fail” ENDIF	Mapped TBs
2.1	20% Asset Test (TRS)	[Sum_20%_Asset_Test] – sum of all assets classified as “20% Asset Test” from mapped TBs	Mapped TBs and REIT Property

The approach to solving the problem can be as valuable as solving the problem.

- Formally documenting interpretation of law and internal systems for review and maintenance
- Providing system agnostic design to allow for future technology changes

### Calculation Specific: Asset Test

Variable	Test Type	Description	Data Source	Data Type
[Sum_Total_Gross_Assets]	Asset Test	Total Gross Assets for all Properties owned by REIT	Trial Balance	Currency
[REIT % Ownership per Property]	Asset Test	Percentage ownership per property per REIT	REIT Property Ownership Tracker	Percentage (Up to 2 or 3 decimal points)
[Sum_Testing_Category]	Asset Test	Sum of each individual testing Category in Mapped TBs (*for all properties)	Trial Balance	Currency
[75% Asset Test value]	Asset Test	Percentage of Qualifying assets over total gross assets	Trial Balance	Percentage (Up to 2 or 3 decimal points)
[75% Asset Test Result]	Asset Test	Determines if REIT Passed or Failed this testing Category	Trial Balance	String
[20% Asset Test value]	Asset Test	Percentage of 20% Asset test assets over total gross assets	Trial Balance	Percentage (Up to 2 or 3 decimal points)

# On the horizon for QuadReal



## Continued investment in compliance analytics



Analytics for commodity taxes to **enhance review of compliance**



Automate “simple” partnership returns to **eliminate preparation fees**



Work with IT to configure Yardi ERP to provide tax with **better data** for tax work







# American Planning Association (APA)

Joy Cruz

# The American Planning Association (APA)

The member journey

01

## About:

APA provides leadership in the development of vital communities for all by advocating excellence in planning, promoting education and resident empowerment, and providing our members with the tools and support necessary to ethically meet the challenges of growth and change

02

## Challenge:

- The organization struggled with consistent, trusted reporting that enabled actionable insights
- Their manual processes did not allow time for further analysis to grow its member base
- APA had minimal insight into its members and their journey to further promote its mission

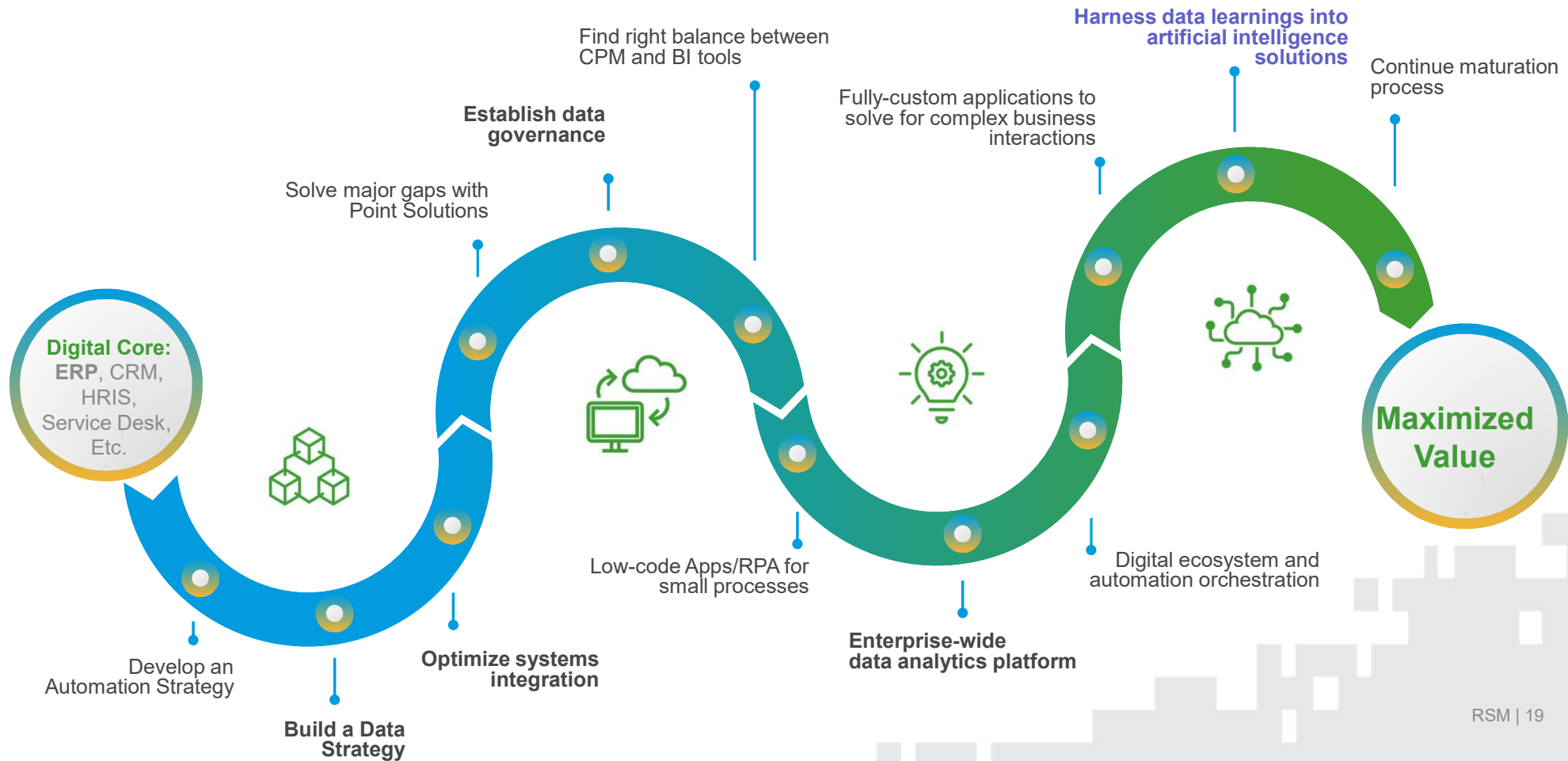
03

## Solution:

- Centralize its data (Microsoft Azure)
- Design and implement a governance framework, which incorporates an operating model where the organization takes an interactive part in data democratization (Microsoft Data Catalog / PurView)
- Build interactive analytics, inclusive of key performance indicators to better understand its members and their journeys (Power BI)

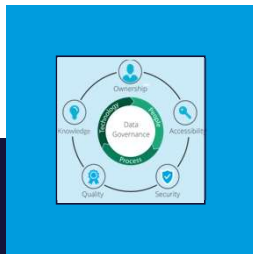
# The digital transformation lifecycle

## Path to data analytics maturity



# Outcomes

APA better understands its members, donors, and practitioners. It is able to recognize additional opportunities for growth through further analysis of its very data rich environment. It has created a foundation which enables its users to be more efficient and effective in its decision making. It has created a culture of curiosity and exploration to further drive its mission and values.



## Fully integrated data and reporting governance framework

- Data management / controls / trust
- Accuracy / completeness
- Data democratization
- Cohesive organizational data operating model



## Enterprise data warehouse

- Automated data pipelines
- Data security
- Centralized data across disparate systems
- Elimination of manual process & excessive Excel spreadsheets



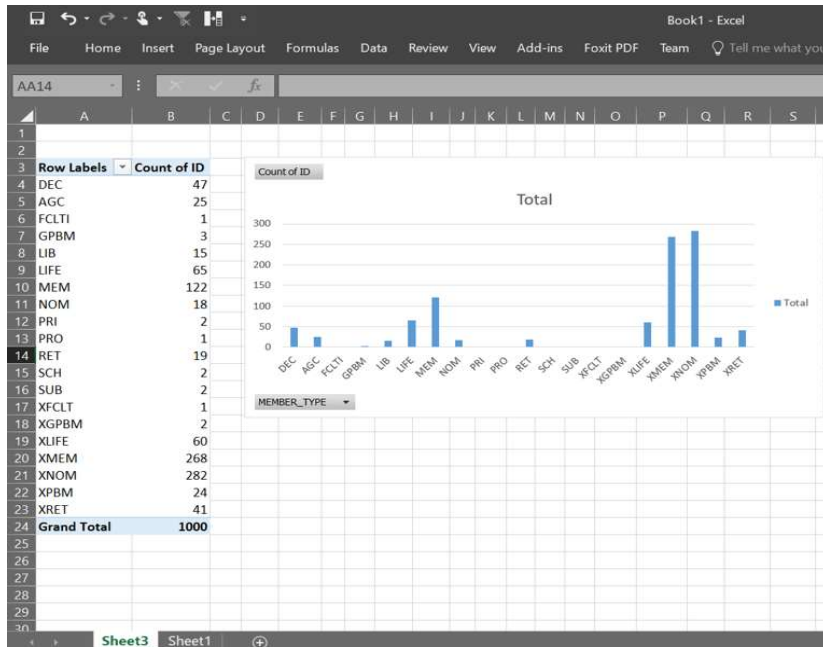
## Self-service analytics

- Actionable insights
- Increased time for analysis
- Interactive reporting
- 360 degree understanding of its members and donors
- Insight into risk of churn

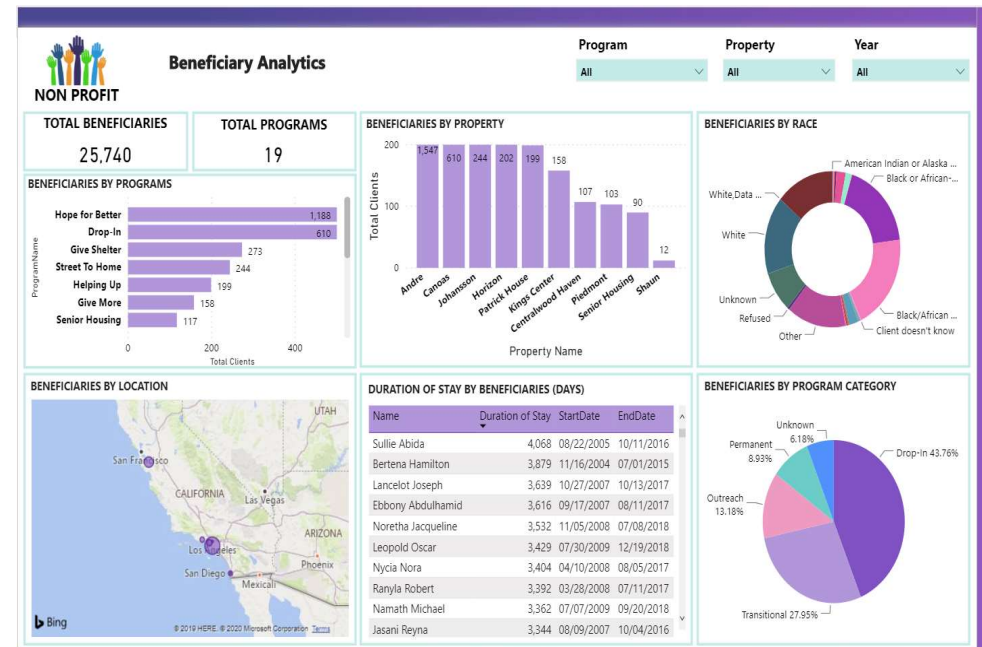
# Then vs. now

Our clients continue to ask how to realize their vision of self-service, insight to action analytics.

Traditional BI still common for regular reporting and static queries



Modern BI prioritizes self-service analytics and speed to insights



“

In a world where information evolves second by second, the ability to **merge** unique **data** marts **into a single warehouse** where it is **available** for **on-demand mining** is an **unparalleled benefit** for the business. This **access** and **flexibility** is crucial for day-to-day operations while **enhancing our ability to model for the future.**

Mark Ferguson, Chief Information Officer, American Planning Association

”

# On the horizon for APA

## Continued investment in analytics



Use cases in **member growth, churn, relationships**, and other planning impact opportunities



Further opportunities to **offer products** via campaigns and enrichment of its national conference



Continue improving both the **member, donor, and employee experience**





# Gillette Children's Specialty Hospital

Joe Knoll



# Gillette Children's Specialty Hospital

## Why engage RSM?

- Gillette was experiencing difficulty with efficiently consolidating denials data from multiple sources for comprehensive analysis.
- There was no consistent bridge between Gillette's clearinghouse and their Electronic Health Record System. Anytime a cross analysis needed to be performed there were efficiency bottlenecks stemming from lack of integration.
- RSM presented a denial analytics solution utilizing Tableau and Ask Data (formerly Narrative Science) AI to give Gillette a comprehensive and all-encompassing way to conduct up to date and efficient analysis.

# RSM denials engagement scope and approach

The primary objective of the engagement was to assist the client with analyzing their current state environment as it related to their:  
 1) Revenue Cycle performance, 2) Charge Master , 3) EMR functionality and configuration, and 4) Organizational Structure.

## Scope

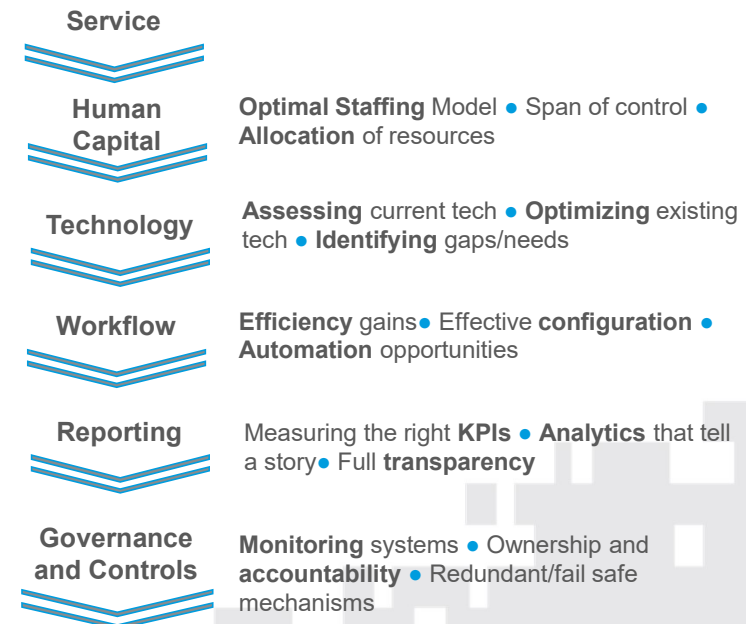
Front	Middle	Back
Pre-Registration	Charge Capture/Entry	Billing Validation
Patient Financial Clearance	Pricing Review	Denial Management/ Workflow
Point-of-Service processes	Case Management	Payor dispute resolution
Financial Counseling	IP/OP Coding	Follow-Up Processes
Patient Satisfaction	DNFB/ Unbilled	ERA/Payment posting
Denial Prevention	Medical Necessity Education	Payment Variances
Cost Report Optimization		

## Objectives

- **Analysis** – analyze and assess the state of revenue cycle operations to identify areas of potential redesign in an effort to streamline operational and financial performance
- **Assess** – collect and analyze data to identify areas of potential opportunity / conduct interviews and observations with resources / perform targeted account sampling
- **Identify** – performance improvement opportunities including revenue cycle process and organizational structure
- **Risk Mitigation** – determine level of financial, operating, and patient service improvement opportunity through a focused performance improvement implementation
- **RevNights Analytics** – implement a suite of reports providing a comprehensive analysis of performance against industry benchmarks

## Approach

We covered every aspect of the organization using our Target Operating Model



# ROI from RSM's Denial Analytics Platform

## Phase I benefits

- Cut denials in half (\$13m over three years)
- Improve predictability of ROI on additional personnel investments into Denials management team by knowing they will be working on highest and best use items prioritized by the tool/manager
- Reduce manual report compilation necessary with Cerner to marry both patient data and 835 denials info allowing individuals to work denials, not data management
- Reporting visibility to leadership and interested parties improved substantially

## Phase II benefits

- Utilize denial analytics tool to identify 2<sup>nd</sup> order causes of denials and engage parties outside the revenue cycle team in education, behavior management and incentives to reduce denials that revenue cycle can't impact on their own
- 66% reduction in registration issues, a major precursor of denials
- 40% reduction in the amount of technical write-offs

“

”There was no easy way to pull data together from our clearinghouse and our electronic health record system, and once we did run reports, our computers would time out when we tried to pull something like claim number by medical service type. We were wasting time and didn’t see meaningful results.”

**Ashley Karlen**

Vice President of Revenue Cycle at Gillette Children’s

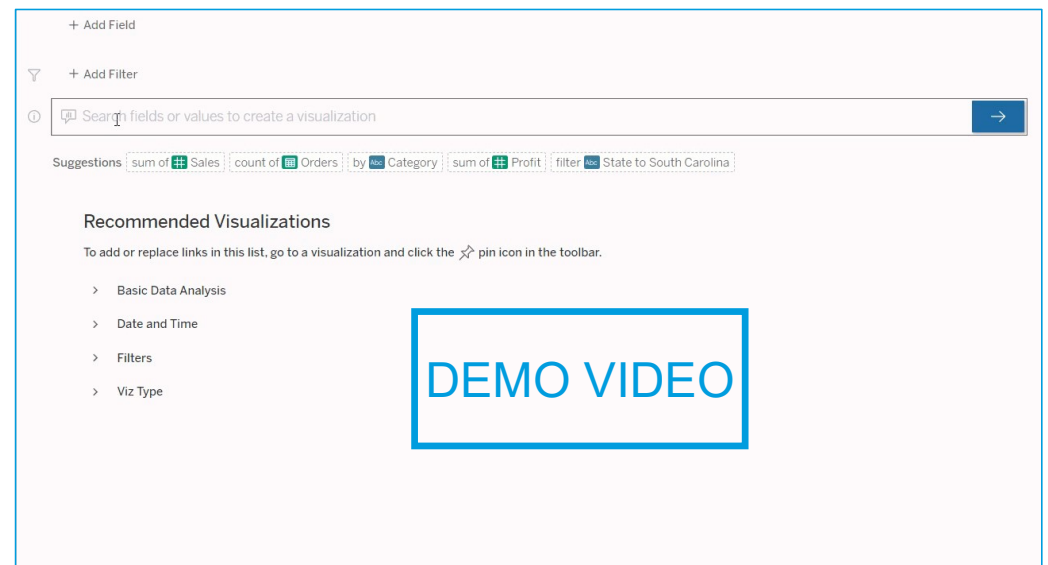
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# Ask Data (formerly Narrative Science)

AI application within RSM's denial analytics dashboard

Allows clients to use natural language to explore dashboard insights in a moment's notice.

Clients can ask questions regarding the data they're currently exploring in an ad-hoc fashion which decreases the need to leave their current viz to have their questions answered.



# Getting started



# Creating value with data and AI

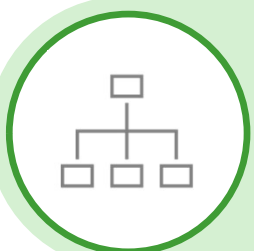
## AI and ML starter kit



### Data and AI strategy

Get started by defining strategy that aligns data use cases, expected value, and governance required for your organization

*Is your organization aligned on data and AI and expected controls around its use?*



### Model in day

Identify organizational goals, context, and areas of the business where data and AI can make a difference

*What are the challenges faced by the business and how can you use your data to solve them?*



### Data driven opportunities

Goal and outcome-driven process of finding business opportunities in the data

*What patterns, trends, and outliers exist in your data that should be influencing business decisions?*

## Ready to execute



### Rapid development

Quickly develop and iterate on use cases to get solutions into users' hands in less than 30 days

*Achieve quick wins with a rapid deployment that sets the foundation for long-term success*



### Operationalize analytics

Deploy models to production to enable automated and ongoing data driven capabilities

*Remove redundant processes and drive additional value out of data by putting processes into production*

# Questions?





Thank you





## THE POWER OF BEING UNDERSTOOD ASSURANCE | TAX | CONSULTING

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