OPTION 10 AI DIAGNOSTIC | SAMPLE AI BLUEPRINT

Client document collection at Fernwood & Hale CPAs

Why returns wait on paperwork, what it costs in busy season, and what to do first.

Focused Diagnostic | Prepared by Frankie Barwell, Option 10 LLC | Abridged sample

> **This is a sample.** Fernwood & Hale CPAs is a fictional firm, and every name, figure and finding in this document is invented to show the format and the standard of a real Blueprint. It is abridged: a full Blueprint covers every finding, every opportunity and the complete 90-day plan. A real client's Blueprint is confidential and is never shared.

Executive summary

Fernwood & Hale is a 90-person firm with three offices. Its individual and small-business tax work is growing, but the same number of returns now takes more staff time each season, and the extra time goes into waiting for and chasing client documents rather than into preparation or review.

Three things are well evidenced. First, more than a third of returns start incomplete, after the client has said everything was sent. Second, chasing is done by hand, from personal inboxes, with no shared record of what is still missing. Third, staff are already using free AI tools to sort and summarize client documents, without a policy.

AI can help here, but it should not come first. The firm has three versions of its document request list and no single owner for the process. Any tool built on that today would automate the confusion. So the first two weeks are leadership work and need no new technology: one request list per return type, one owner, and a short AI-use policy. Automation follows on that foundation.

What we found

Each finding is backed by the firm's own data or by several independent accounts. Confidence is shown on every finding.

More than a third of returns start incomplete CONFIRMED

In a sample of 50 individual returns from last season, 19 (38%) had at least one missing document when preparation began, although the client had said everything was sent. The most common gaps were brokerage statements, K-1s and childcare receipts.

Evidence: return-by-return review of the 50-return sample with the tax manager Client figure; raised independently in five of eight interviews.

Chasing is manual, scattered and invisible to managers SUPPORTED

Eleven preparers and administrators chase documents by email and phone. Each estimates 4 to 6 hours a week on it from January to mid-April. Reminders go out from personal inboxes, so when someone is out, nobody knows what was requested or when. Managers learn a return is stuck only when its deadline is close.

Evidence: six interviews across preparers, administrators and a manager Client figure; observed in a 45-minute screen-share of the administrator's reminder routine.

Staff are using free AI tools on client documents SUPPORTED

Several staff use free AI chat tools to summarize letters and sort scanned documents, on personal accounts. They are trying to save time, and nobody has told them what is allowed.

Evidence: raised in confidence in four interviews; no AI-use policy exists in the staff handbook.

Why it happens

Three request lists, and no owner

Each office adapted the document request list years ago, and the three versions now differ. Clients receive whichever one their preparer prefers, so "complete" means different things to different clients. Nobody is responsible for keeping the list right.

The client portal is used for storage, not for follow-up

The firm already pays for a client portal that can send reminders based on what is still outstanding. That feature has never been switched on, because no one owns the request list it would check against.

What needs no technology

Two pieces of work come first and need no new software. Leadership agrees one request list per return type, with the partner group approving it in a single 60-minute session. The firm then names the operations manager as the owner of document collection, with protected time in December and January. Without these two steps, any reminder tool would chase clients for the wrong things.

Where the value is

How to read the figures. Every figure is labeled as the firm's own figure or our estimate, with its basis. Hours freed are capacity, not cash, unless the time is redeployed. Time freed and costs avoided are shown separately and never added together. In a real Blueprint, published benchmarks are cited with their source.

Opportunity	Type	Value
One request list per return type, with a named owner	Quick win	Enables the work that follows
A starter AI-use policy and an approved tool list	Quick win	Reduces exposure now
Reminders from the existing client portal, driven by what is still missing	Core	310 to 480 hours a season freed ($17,050 to $26,400 in capacity) Estimate
AI-assisted sorting of uploaded documents, with a missing-items check reviewed by staff	Core	120 to 260 hours a season freed ($6,600 to $14,300 in capacity) Estimate

Reminders from the existing client portal, driven by what is still missing

Today

Eleven people spend 4 to 6 hours a week each chasing documents for about 16 weeks, roughly 700 to 1,050 hours a season Client figure. Reminders depend on who remembers, and stop when someone is out.

The change

Switch on the portal's reminder feature, using the agreed request list. Each client receives a short reminder listing only what is still missing, at set intervals, and staff are alerted only when a client has not responded after the third reminder. Pilot it on 40 clients in January.

The result

Fewer returns start incomplete, chasing becomes visible to managers, and preparers spend busy season preparing. Clients get one clear message instead of several different ones.

Value
We estimate that 35% to 55% of the chasing can be removed Estimate. Applied to the midpoint of about 880 hours, that is 310 to 480 hours a season, worth $17,050 to $26,400 in capacity at a loaded cost of $55 an hour Client figure.

Effort and cost
Low. The feature is included in the firm's current portal subscription, so there is no new software cost. Setup is about 12 to 16 hours of the owner's time, plus a two-week pilot.

> **First step:** Compare the three request lists line by line with the tax manager, mark every difference, and bring a single draft to the partner meeting for approval.

Your first 30 days (extract from the 90-day plan)

Week	Step	Owner	Milestone
1	Merge the three request lists into one draft per return type	Tax manager	Draft lists ready
2	Partners approve the lists and the AI-use policy; name the owner	Managing partner	Lists and policy signed off
3	Configure portal reminders and brief the pilot preparers	Operations manager	Reminders tested on staff accounts
4	Start the 40-client pilot and record the baseline	Operations manager	Pilot live, baseline recorded

The full plan runs to week 13, with a decision point on the document-sorting build once the pilot results are in.

Risk and governance (extract)

Client tax information in free AI tools. The highest exposure we found is client documents being pasted into personal AI accounts, whose terms may allow the provider to use what is entered. **Recommendation:** stop the use of personal accounts on client work now, approve one tool on business terms that exclude training on your data, and ask your counsel to confirm what client consent the firm needs before any client tax information is processed by an outside provider.

Starter AI-use policy (extract)

- **What you may use:** only the firm's approved tools, signed in with your firm account.

- **What must never go in:** Social Security numbers, bank and account details, or a whole client document in any tool that is not on the approved list.
- **Who approves:** any new tool or new use on client work is approved by the operations manager and one partner, in writing.

What a full Blueprint adds

Every finding with its evidence, all the root causes, every opportunity priced with honest effort and cost, the complete 90-day plan with dates, the full risk and governance section for your counsel, and a starter AI-use policy ready to adopt. It is delivered as a written report, readout slides and a plan your team can track, and walked through live with your leadership.

Start with a free 30-minute AI Readiness Check: diagnostic.option10.com