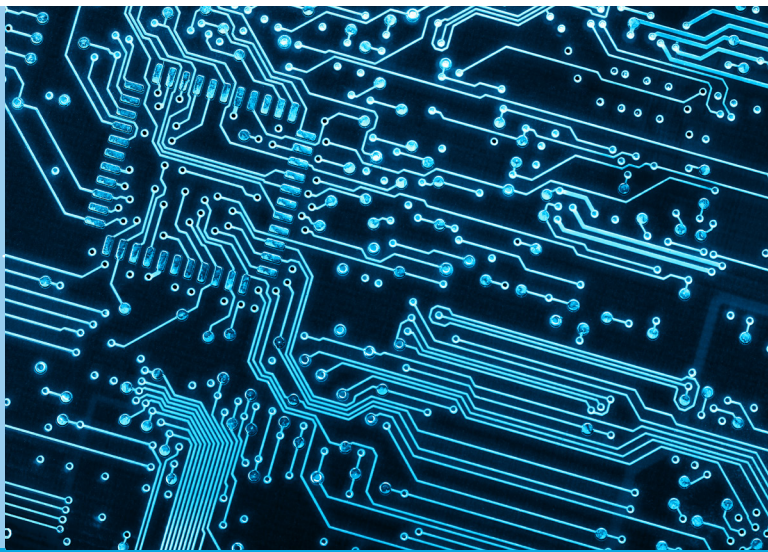


NEW FUND, NEW TECH, NEW HEIGHTS

Working with RSM helps asset management firm Cypress Creek Partners serve thousands of investors with the latest technology-aided tax services



Benjamin Murray will be quick to tell you he is not “a technology guy”—“I don’t have a lot of exposure to that,” he says with a laugh—but what he really means is he’s not a tax technology guy.

As a chartered financial analyst, or CFA® charterholder, with a background in investment operations and operational due diligence, Murray has used plenty of technology tools in his nearly 15-year career. He is the chief operating officer at Cypress Creek Partners, a next-generation private markets platform based in Austin, Texas. The company has more than \$500 million in assets under management.

In the fall of 2020, as Murray worked alongside Cypress Creek Founding Partners William Prather III and Richard Rincon to jumpstart their new venture, he was on the hunt for an accounting firm filled with tax *and* technology professionals—a firm that could bring more than spreadsheets with their services, and help a small tax department handle the needs of 8,000 investors.

His timing could not have been better.

Leading with technology

RSM, the first-choice advisor to middle market leaders globally, also had a new venture: PartnerSight, the proprietary allocation and tiering platform that simplifies tax compliance for complex partnerships. Partnerships like Cypress Creek.

Cypress Creek had found their match. RSM’s partnership tax services powered by PartnerSight did more than just check the boxes.

“After having conversations with a number of accounting firms and speaking with RSM, it became clear that RSM exceeded everyone else given their subject matter expertise, breadth and depth of their internal resources, laser focus on implementing



robust technology solutions and, very importantly, strong interpersonal skills," Murray says.

Cypress Creek seeks to partner with new and developing investment managers in underserved portions of the middle market across private equity buyouts, growth equity, infrastructure and natural resources. They closed their acquisition process on March 1, 2021.

"Overnight, we went from three people executing an acquisition to three people managing the day-to-day functions of a complex asset management firm," Murray says.

Now a team of eight, Cypress Creek relies on RSM to take a holistic approach to their tax function, including serving as a sounding board on topics like tax planning and entity structuring, as well as implementation of best practices—and the best technology.

"Our bandwidth was certainly stretched during federal tax and K-1 season, even with a two-person team," Murray says, describing Cypress Creek's initial in-house operations. "With all of our initiatives going on, the ability to leverage technology is instrumental in remaining a leading investment fund."

Managing investor expectations

After achieving the quick turnaround initially needed due to the timing of the acquisition and 2021 Schedule K-1 filing deadlines, Cypress Creek's other big challenge isn't going away—managing the expectations and deliverables of 8,000 investors. Murray demanded of his tax technology software the same he does of all systems he implements: Make sure the insight it provides is used across the firm.

That's where PartnerSight excels. It instantly generates K-1s for as many investors as you have, integrates with other technologies and delivers data in an easy-to-read dashboard so that the tax department can consistently create value for the organization.

When tax data is free from the black box where it has traditionally lived, it can be used for the benefit of the entire organization, says Jason Lunte, an RSM partner in Dallas. Lunte is leading the charge on Cypress Creek's tax compliance work.

"Technology is really important given Cypress Creek's size," Lunte explains. "Any manual process is exponentially more painful when you have to do it 8,000 times. Manual processes have a high risk of error and slow down everything else you do."

Innovating tax now and in the future

In 2022, Lunte and his team will onboard Cypress Creek to another tool in the PartnerSight suite of products—the Xcelerate Investor Portal, which modernizes the distribution of tax documents in a secure, electronic format.

"We have over 8,000 investors who are high net worth individuals," Murray explains. "On an annual basis, they have their own tax returns to file, and they need information from our K-1s to develop their investment strategy." Murray adds that electronic distribution is also more eco-friendly, which is important for environmentally conscious investors. With the Xcelerate portal, Cypress Creek will have an end-to-end tax technology platform.

Cypress Creek's relationship with RSM for partnership tax services powered by PartnerSight makes for happy investors—and continued growth. It doesn't take a technology expert to see it.

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