



Transforming multi-state employment tax filing

Company vitals

Name	Fred Hutchinson
Industry	Nonprofit
Employees	3,500
Headquarters	Seattle, Washington
Website	fredhutch.org
Integrated with	Oracle® (PeopleSoft) 

Founded in honor of the late Major League Baseball player, Fred Hutchinson Cancer Research Center ("Fred Hutch") in Seattle, Washington, is one of the five top cancer research centers in the country. Fred Hutch houses the nation's first and largest cancer prevention research program, as well as the clinical coordinating center of the Women's Health Initiative and the international headquarters of the HIV Vaccine Trials Network. Together with its teams of world-renowned scientists and humanitarians, Fred Hutch is working to prevent, diagnose and treat cancer, HIV/AIDS and other diseases.

As an independent, nonprofit research center, Fred Hutch operates across five different divisions and currently has 3,500 employees across 12 different states, which can make employment tax filing a complicated process. With that in mind, Steven Holdaway, CPP, payroll manager at Fred Hutch, knew it was critical to find a way to help ensure timely and accurate employment tax filing. We recently spoke to Steven to learn more about his experience using ADP SmartCompliance® to handle Fred Hutch's employment tax filing needs.

On handling tax filing in-house

Previously we did everything in-house, but when we became multi-state, we saw a need to outsource employment tax filing. Employment tax filing in multiple states is a tremendous undertaking. Once you get past one or two states, you would literally need a tax department with dedicated resources just for your employment tax filing. There can be severe financial penalties if things go wrong with your filing, even just being a day or two late with your deposits and returns.

Why ADP

In the beginning, Fred Hutch was strictly in the state of Washington, and since there is no state income tax here, it was relatively straightforward from a tax filing perspective. But after becoming multi-state, we knew we didn't have the expertise in-house or the staffing required to actually have a full employment tax filing department. I had been an ADP client in the past, so I brought that to my supervisor, and we made the decision to outsource our employment tax filing with ADP. We've been with ADP for the past six or seven years now.





ADP brings peace of mind and compliance. You can have significant penalties for almost anything that may go wrong with your employment tax filing. From that standpoint, we know that ADP can help us stay in compliance in our many, many jurisdictions, and that our employment tax filing is done appropriately and timely. We feel confident knowing ADP will be responsible for moving our money to the various taxing agencies. ADP is a leader in the industry, and that has given us a sense of peace.

Steven Holdaway
CPP, Payroll Manager



Benefits of using ADP

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Business impact

One of the biggest impacts is the time we were able to get back. For example, we were previously doing our employee Form W-2 printing in house. It took me an entire weekend, outside of my normal, eight-hour day, to print out these forms. We recently added ADP SmartCompliance W-2 Management, and just being able to get back valuable time has been really, really great!

Also, the research ADP has done on our behalf whenever we have received a notice has been tremendously impactful. Those notices are extremely time-consuming and require you to print out returns and prove what you're stating is correct. ADP handles that for us, and we don't have to expend the time and resources here to research these items. We simply upload tax notices onto the ADP SmartCompliance portal, and ADP takes care of them in timely and professional manner. We're copied on all correspondence and can see an entire tracking process, which has been very beneficial.

On the ease of integration

I'm most impressed with the seamless integration with our current payroll system. A lot of payroll systems have add-ons, but this integration with the employment tax filing service truly seems like it is one with our in-house system. I've been very impressed with the interfaces and how well they work. We haven't had any issues as far as our transmitting files to ADP, whether they're periodic or quarterly.



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