THE UNIVERSITY OF CHICAGO RETURNS TO ADP AFTER A TAXING YEAR WITH A COMPETITOR

Since 1890, the University of Chicago has forged its own path, paving the way for new schools of thought and a transformative education for students and laying the groundwork for breakthroughs across the sciences, medicine, economics, law, business, history, culture and the arts, and humanistic inquiry. The University is home to approximately 15,000 students, including 5,000 undergraduate and 10,000 graduate students.

Angie Gleghorn is the payroll manager for the University of Chicago. She and her team handle a variety of different tasks, which have evolved over time. They started in compliance, where they handled tax documents, such as W-2s and 1099s. The team now handles and oversees student payments for students with on-campus jobs, including work-study, baristas, clerical staff and lab technicians. The university also fully funds all PhD students.

We recently caught up with Angie to discuss her experience with the ADP SmartCompliance Employment Tax solution.

Business challenges

The University of Chicago switched to a different vendor for payroll tax processing, believing it would be better, despite the higher cost. They quickly found out this wasn't the case and came back to ADP after just a year with the other vendor.

Returning to ADP gave the University of Chicago the confidence it needed that it was compliant with its payroll taxes and reporting, which had been lacking with the previous provider.

Switching from ADP created more work, not less

The University of Chicago initially partnered with ADP to handle its payroll taxes in 2015, when it transitioned to Workday for payroll and HR management. Previously, the university managed payroll and payroll tax remittance internally through a homegrown system operated by specialists.

Angie explained that the subsequent move away from ADP in 2021 was driven by a desire for a more integrated and less manual solution, aiming for a "hands-off" experience. The payroll team believed that switching to the new payroll tax provider would reduce their workload and streamline processes. However, they quickly discovered that the opposite was true.

Beyond the additional workload, the lack of clarity in reports and the pressure to approve filings without complete visibility made compliance a nerve-wracking experience.

"We thought this new system would be much more hands-off," Angie said. **"However, it was actually more work. We still had to verify everything and run all the reports ourselves. We were approving things without feeling like we knew the whole story."**

A return to ADP and ADP SmartCompliance

After a year away, the university returned to ADP in early 2023, because the alternative provider's offering turned out to be more expensive, and it did not deliver the simplicity they had anticipated. So, Angie returned, driven by the strength and reliability of the ADP SmartCompliance platform and the support of a trusted account manager.

The decision to switch back was motivated by the realization that "the grass isn't always greener." Angie emphasized that "it was more expensive and just as much work," leading them to conclude that returning to ADP would restore better control, accuracy and compliance.

"The ADP SmartCompliance portal is excellent," Angie said. **"The reports are very clear and very straightforward. It was much easier to find issues and fix them."**

Angie emphasized the importance of visibility and audit-friendly tools, which were lacking in the other platform.

"We knew the support was here, and after trying another option, we realized that ADP is the better choice, especially with the right account manager leading the way," Angie said. **"Their audit reports are excellent, and we had a lot more control over things in ADP."**

The influence of the right account manager

A pivotal factor in the return to ADP was the university's confidence in a specific account manager who had previously supported their team.

"She was very available, responded quickly and knew our world," Angie said. **"She understood Illinois taxes, university nuances, even foreign employee populations without Social Security numbers."**

This knowledge was critical. The university frequently handles W-2 corrections, multiple amendments per quarter and over half a million dollars in overpayment annually, which differ significantly from the corporate world.

> "We no longer have to stay on top of changing tax laws because ADP helps do that for us, even with local rules. That's a huge time saver. From a tax standpoint, I sleep better at night. We're confident in our compliance."
>
> **— Angie Gleghorn**
> Payroll Manager

Implementation: A seamless transition back

Even under a tight timeline, ADP's implementation team ensured a smooth reactivation at the start of the calendar year.

> "They promised they would get us back online, even though we were outside of their standard implementation window, and they did it."

The reactivation process was fast, organized and aligned with the university's compliance calendar.

Streamlined workflows, time savings and compliance confidence

Since returning to ADP, the payroll tax process has become dramatically more efficient.

> "We went from needing two full–time people to just one," Angie said. "The platform just works, it's so easy."

ADP's deep knowledge of employment tax and evolving legislation has also lifted a burden from Angie's team. Most importantly, Angie and her team feel secure again.

About ADP SmartCompliance

The ADP SmartCompliance platform adds a layer of services and best-practice processes to your current HCM solution to help you close the gap between core HCM technology and the myriad of HCM related compliance pressures you may face. This solution marries people, process and service with your technology to help off-load many of the risk-laden, manual and administrative tasks required of you. And it's a scalable solution that can provide continuity as your organization and the legislative landscape continue to evolve.

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