

Legislative Pay and Expenses Infrastructure

Mike Ferrant

Director of Operations

Office of Legislative Operations

It's important to understand that **Pay** and **Expenses** are separate entities entirely

- Legislative pay is processed through the Department of Human Resources via VTHR portal.
- DHR maintains individual W-4 tax withholding information for all employees
- Payroll occurs every two weeks and the legislative schedule is different than other state employees

- Legislative expenses are processed through the Department of Finance and Management via the VISION portal
- VISION does not maintain W-4 tax withholding information
- Expenses are paid in gross within 3 business days of approval

Pay and Expenses are different **during session** versus **during adjournment**

- Session payroll is automatic with no timesheet entry
- Session payroll is “current” instead of delayed two weeks like other SOV employees
- Expenses for meals and lodging are per diems during session, so subject to tax withholdings.
- At the end of session, it is critical to withhold pay to allow for taxes to be withheld from paychecks

- During adjournment, pay is processed via timesheet entries for 1 day of Per Diem pay. That is 1/5 of your set weekly salary.
- Adjournment expenses are for actual amounts paid, so not subject to tax withholdings.
- Pay is set on a standard “two-week delay” after timesheet entry.
- Leg Ops staff enter timesheets for per diem pay.

How taxes are withheld from expense per diems

- During session, Members enter their weekly expenses in VISION usually on Fridays (as they have to be current or past dates)
- Leg Ops staff process and approve each members' expenses weekly
- After approval, VISION pays the gross amount of expenses to the Member via direct deposit.
- Then VISION communicates to VTHR that gross amount to be added to the gross pay of the Member's paycheck on the next payroll date.
- If there are not sufficient funds in the next payroll gross pay, the tax withholding is held through a process known as "gross up" and collected via check from Leg Ops staff.

Questions and Discussion?