



THE NAVAJO NATION

WORKERS' COMPENSATION PROGRAM

PO BOX 2489
WINDOW ROCK, ARIZONA 86515
TELEPHONE: (928) 871-6389 FAX: (928) 871-6083

JOE SHIRLEY, JR.
PRESIDENT

MEMORANDUM

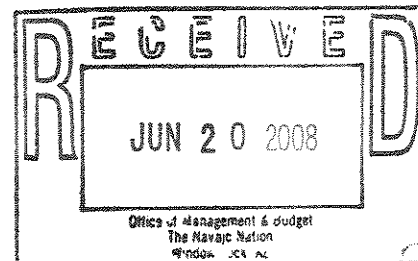
BEN SHELLY
VICE-PRESIDENT

TO ALL BRANCHES, ALL DIVISIONS, ALL DEPARTMENTS AND PROGRAMS
NAVAJO NATION GOVERNMENT

FROM Laverne Lee
Laverne Lee, Program Supervisor
Workers' Compensation Program
Insurance Services Department

DATE June 19, 2008

SUBJECT Clarification of definition for "Total Personnel Budget Amount"



Let this memorandum serve to clarify the definition of "Total Personnel Budget Amount" which includes base gross salary of regular and temporary, merit bonuses, and increase salary adjustments but excludes fringe benefits.

The calculation of workers' compensation premium remains the same for "Total Personnel Budget Amount" as defined above and is as follows:

Multiply the "Total Personnel Budget Amount" by the rate indicated in the premium schedule Appendix M in the Budget Instruction Manual and divide by \$100 of total to obtain the premium amount to budget.

Example:

Table with 2 columns: Description and Amount. Rows include Base Salary Regular (\$100,000), Base Salary Temp (30,000), Merit Bonus (6,000), Increases (\$10,000), and Total (\$146,000).

Calculation: \$146,000 x .32 = \$46,720 ÷ \$100 = Premium Rate of \$467.20

In the above example, the \$467.20 is the amount to budget for in Fiscal Year 2009 Budget.

If there should be any questions, please feel free to call the Workers' Compensation Program at extension 6389 and your call will be directed to Caroline Davis, Accountant or me.

CONCURRENCE

Signature of Ben Manuelito, Jr. with handwritten number 061908/1153
Ben Manuelito, Jr., Acting Department Manager, ISD

x.c.: DISTRIBUTION
Office of Management Budget