



THE  
NAVAJO  
NATION

WORKERS' COMPENSATION PROGRAM

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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:

Base Salary Regular:	\$100,000
Base Salary Temp :	30,000
Merit Bonus :	6,000
Increases :	<u>\$ 10,000</u>
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

Ben Manuelito, Jr. 06/19/08  
1153  
Ben Manuelito, Jr., Acting Department Manager, ISD

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