

[Date]

[Employee Name]

[Employee ID]

[Department]

Subject: Notification of Salary Adjustment

Dear [Employee Name],

We are pleased to inform you that your compensation has been adjusted to reflect both a merit-based increase and a cost-of-living allowance (COLA).

Your performance over the past year has been a significant contribution to the company, and this merit increase recognizes your dedication and achievements. Additionally, the cost-of-living adjustment is provided to ensure your wages remain competitive with current economic shifts.

Your new salary details are as follows:

- **Current Base Salary:** \$[Amount]
- **Merit Increase:** [Percentage]%
- **Cost of Living Adjustment (COLA):** [Percentage]%
- **Total Increase:** [Total Percentage]%
- **New Base Salary:** \$[Amount]

This change will be effective as of [Date] and will be reflected in your paycheck starting [Date].

Thank you for your continued hard work and commitment to [Company Name]. If you have any questions regarding this adjustment, please contact the Human Resources department.

Sincerely,

[Manager Name]

[Title]

[Company Name]