

[Date]

[Employee Name]

[Employee ID]

[Department]

Subject: Notification of Change in Fair Labor Standards Act (FLSA) Status

Dear [Employee Name],

This letter is to inform you of a change regarding your employment classification. Effective [Effective Date], your position of [Job Title] will transition from an exempt status to a non-exempt status.

What this means for you:

- **Overtime Eligibility:** As a non-exempt employee, you will now be eligible to receive overtime pay at a rate of 1.5 times your regular hourly rate for all hours worked over 40 in a single workweek.
- **Time Tracking:** You will be required to accurately record and submit all hours worked. This includes your daily start times, end times, and unpaid meal breaks.
- **Pay Frequency:** Your pay will now be calculated based on an hourly rate of \$[Hourly Rate]. [Optional: Mention if pay frequency is changing, e.g., from monthly to bi-weekly].

This change is based on [Reason for change, e.g., a recent review of job duties / changes to federal overtime regulations] and does not reflect a change in your job responsibilities or your value to the company.

Your supervisor will meet with you shortly to review the specific procedures for tracking your time and the process for requesting overtime authorization.

Please sign below to acknowledge that you have received this notification and understand the transition to non-exempt status.

Sincerely,

[Name]

[Title]

[Company Name]

Employee Acknowledgment:

Signature: _____ Date: _____