

[Date]

[Employee Name]

[Employee ID]

[Department]

Subject: Notice of Change in FLSA Status and Compensation Adjustment

Dear [Employee Name],

This letter is to inform you of a change regarding your employment classification under the Fair Labor Statistics Act (FLSA) and a corresponding adjustment to your compensation structure.

Effective [Effective Date], your position of [Job Title] will transition from **[Current Status: e.g., Exempt]** to **[New Status: e.g., Non-Exempt]**.

Compensation Details:

- Your new pay rate will be \$[Amount] per [Hour/Pay Period].
- Your annualized salary equivalent remains \$[Amount].
- [If Non-Exempt]: You will now be eligible for overtime pay at a rate of 1.5 times your hourly rate for all hours worked in excess of 40 hours per workweek.

Timekeeping Requirements:

As a result of this change, you are required to accurately record all hours worked using [Company Timekeeping System]. You must receive prior authorization from your supervisor before working any overtime hours.

Please note that this change is based on [Reason for Change: e.g., a periodic review of job duties / updated federal regulations] and does not reflect a change in your job responsibilities or the value of your contributions to [Company Name].

Please sign below to acknowledge receipt of this notification.

Sincerely,

[Manager/HR Name]

[Title]

[Company Name]

Acknowledgment:

I acknowledge that I have received and understand the changes to my FLSA status and compensation as outlined above.

Signature: _____ Date: _____