

[Date]

[Employee Name]

[Employee ID]

[Department]

**Subject: Notification of Position Reclassification to Exempt Status**

Dear [Employee Name],

This letter is to formally notify you that your position, [Job Title], has been reevaluated. Effective [Effective Date], your status will change from non-exempt to exempt.

**What this means for you:**

- **Salary:** You will be paid a fixed salary of \$[Amount] per [Pay Period].
- **Overtime:** As an exempt employee, you are no longer eligible for overtime pay. Your compensation remains the same regardless of the number of hours worked in a workweek.
- **Time Tracking:** You will no longer be required to clock in or out for daily shifts, though you may still need to record absences or leave time according to company policy.
- **Benefits:** Your eligibility for company benefits remains [unchanged / updated as follows: Details].

This change is based on a review of your job duties and responsibilities in accordance with the Fair Labor Standards Act (FLSA) guidelines.

Please sign below to acknowledge that you have received this notification and understand the changes to your employment status.

Sincerely,

[Manager Name]

[Title]

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**Acknowledgment:**

I acknowledge that I have been informed of my reclassification to exempt status and understand the terms outlined above.

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_