

[Company Name]
[Company Address]
[City, State, Zip Code]

[Date]

[Employee Name]
[Employee Address]
[City, State, Zip Code]

Subject: Notification of Change in Fair Labor Standards Act (FLSA) Exemption Status and Salary Modification

Dear [Employee Name],

This letter is to formally notify you of a change regarding your employment status and compensation structure with [Company Name], effective as of [Effective Date].

Based on a recent review of your job responsibilities and current federal and state labor regulations, your position of [Job Title] has been reclassified. Your new status will be: **[Exempt / Non-Exempt]**.

Salary Modification Details:

- **Previous Salary/Rate:** \$[Amount] per [Year/Hour]
- **New Salary/Rate:** \$[Amount] per [Year/Hour]
- **Pay Frequency:** [e.g., Bi-weekly / Monthly]

Impact of Status Change:

[Insert description of what this means, e.g., "As a non-exempt employee, you will now be eligible for overtime pay for hours worked in excess of 40 hours per week" OR "As an exempt employee, you are ineligible for overtime pay but will receive a fixed salary regardless of the number of hours worked per week."]

Please note that all other terms and conditions of your employment remain unchanged. We appreciate your continued contributions to the team.

Please sign and return a copy of this letter to Human Resources by [Deadline Date] to acknowledge receipt of this notification.

Sincerely,

[Sender Name]
[Sender Title]
[Company Name]

Employee Acknowledgment:

I acknowledge that I have received and understood the changes to my exemption status and salary as outlined above.

Signature: _____ Date: _____