**SAMPLE EMPLOYEE COMMUNICATION
NON-EXEMPT 🡪 EXEMPT**

January XX, 2018

Dear [Employee Name],

In accordance with Academic Personnel Manual (APM) Section 137, this is to notify you of a change in your appointment status as «Title», Step <<Step>>. Specifically, as the result of a recent federal court ruling and the federal administration’s position on the salary level for exempt status under the federal Fair Labor Standards Act (FLSA) regulations, effective July 1, 2018, your position will be re-classified from non-exempt to exempt, which means you will be exempt from earning overtime pay.

As an exempt employee, you will be paid the full amount of your current base salary for any day during which you perform any work (less any permissible deductions) and you will receive your paycheck on a monthly basis. **For your planning purposes, please note that you will receive your final bi-weekly paycheck on July 11, 2018, for the pay period of June 17-30.** Following your reclassification from non-exempt to exempt on July 1, 2018, you will no longer have to use an hourly time-reporting system. This change is being driven by the current FLSA rules and has nothing to do with your performance or contributions to the University of California.

To ensure that there is no inconvenience to you when you transition from bi-weekly pay to monthly pay, the University will not be reclassifying you until July 1, 2018, which is the only date in 2018 where the bi-weekly and monthly pay cycles align.

This change in your appointment status does not affect the following terms of your appointment:

1. The end date of your appointment is currently « Appt\_End\_Date». An appointment with an established ending date is self-terminating subject to the notice requirements of APM - 137.
2. Your total annual full-time salary rate will remain unchanged.
3. Your job title and job duties will not change.
4. The person to whom you report will not change.

If you have additional questions about your overtime-exempt classification or pay frequency, please contact [insert local contact]. Before the July 1, 2018 effective date, the University will also be providing a link to Frequently Asked Questions (FAQs).

Sincerely,
[Local contact]

**cc: Academic Affairs**