# Time Tracking Memo to Employees

Red text denotes a field that needs to be changed by the user.

This correspondence is intended to notify you that we will be tracking employee time for the next [two months, six weeks, 30-days], beginning on [date to start tracking]. This tracking is necessitated by the recent rule changes to what are commonly known as the White Collar Exemptions under the Fair Labor Standards Act (FLSA). The new rule states that for an employee to be exempt from overtime, they must make at least $47,476 per year. Previously, the threshold to be classified as exempt was $23,660.

We must comply by reclassifying or changing the pay structure of affected employees by December 1st, 2016. In order to assist with our decision-making process, we have decided to track employee time; this will help us determine what impact, if any, paying additional overtime will have on our budget. This information will not be used to make any improper deductions, and exempt employees will continue to be paid on a salary basis, under the same pay structure, until further notice. Changes to employee classifications or pay structures will likely take place during the last full pay period prior to the effective date of the new rules, although [company name] reserves to right to make changes before or after that time. Additional information will be provided to those affected prior to the change.

Please [describe timekeeping system, who (if anyone) time should be turned in to, when it should be turned in, and any additional guidance]. If there are any unique situations during this period that cause you to work many more or many fewer hours than you would over the course of a typical [two-month, six-week, 30-day] period, please alert your manager or supervisor so those entries can be taken into account.

We appreciate your involvement in accurately tracking all time worked during this period. Please do not hesitate to reach out to your manager or supervisor if you have any questions.

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