PROMOTION LETTER

1. 1. Company Letterhead and Date

[COMPANY NAME]. [COMPANY STREET ADDRESS]. [CITY, STATE, ZIP]. Date: [DATE OF LETTER]. Print on official company letterhead and deliver the letter in the promotion conversation rather than by surprise email. Copy [HR CONTACT NAME] so that payroll, the HR system, and the org chart are all updated from the same document on the same effective date.

2. 2. Employee and Congratulations

[EMPLOYEE FULL NAME]. [EMPLOYEE JOB TITLE]. [DEPARTMENT]. Employee ID: [EMPLOYEE ID]. Dear [EMPLOYEE FIRST NAME], It is my pleasure to confirm your promotion to [NEW JOB TITLE], effective [EFFECTIVE DATE]. This promotion recognizes your contributions over the past [PERIOD], and in particular [SPECIFIC ACCOMPLISHMENTS, e.g., leading the (PROJECT NAME) launch, growing (METRIC) by (AMOUNT), consistently mentoring newer members of the team]. Congratulations, and thank you for the work that made this decision straightforward.

3. 3. New Title and Effective Date

Your new title is [NEW JOB TITLE], replacing your current title of [CURRENT JOB TITLE]. The promotion takes effect on [EFFECTIVE DATE], which is the date your new compensation begins, your new responsibilities formally start, and the change is reflected in payroll and company systems. Your job level or grade changes from [CURRENT LEVEL OR GRADE] to [NEW LEVEL OR GRADE]. Your department changes from [CURRENT DEPARTMENT] to [NEW DEPARTMENT], or remains [DEPARTMENT]. Your work location is [WORK LOCATION AND ARRANGEMENT, e.g., unchanged / (OFFICE NAME) / remote with quarterly travel to (LOCATION)].

4. 4. New Compensation

Effective [EFFECTIVE DATE], your compensation changes as follows. Base pay: [NEW BASE SALARY] per year, paid [PAY FREQUENCY], increased from [CURRENT BASE SALARY]. If paid hourly: [NEW HOURLY RATE] per hour, increased from [CURRENT HOURLY RATE], for a standard schedule of [HOURS PER WEEK]. Target bonus: [BONUS TARGET AMOUNT OR PERCENTAGE], measured against [BONUS CRITERIA] and paid [BONUS PAYMENT TIMING], subject to the terms of the [BONUS PLAN NAME]. Commission: [COMMISSION PLAN DETAILS OR "not applicable"]. Equity: [EQUITY GRANT DETAILS, e.g., an additional grant of (NUMBER) units subject to board approval and the terms of the (PLAN NAME) and your grant agreement, vesting over (VESTING SCHEDULE)]. The first paycheck reflecting the new rate will be [FIRST AFFECTED PAY DATE], covering the pay period beginning [PAY PERIOD START DATE].

5. 5. Classification and Overtime Status

In your new role you are classified as [EXEMPT / NON-EXEMPT] under applicable federal and state wage and hour law. [IF NON-EXEMPT: You remain eligible for overtime pay at the applicable rate for hours worked beyond the applicable threshold, and you must continue to record all hours worked accurately, including any work performed outside scheduled hours.] [IF EXEMPT: You will be paid a fixed salary that is not reduced based on the quantity or quality of work performed, and you are not eligible for overtime pay. Meal and rest break rules applicable to your classification are described in the employee handbook.] If you have questions about your classification, contact [HR CONTACT NAME] at [HR CONTACT EMAIL] before the effective date.

6. 6. Reporting Line and Team

Effective [EFFECTIVE DATE], you will report to [NEW MANAGER NAME], [NEW MANAGER TITLE], replacing your current reporting relationship with [CURRENT MANAGER NAME]. [IF THE ROLE INCLUDES PEOPLE MANAGEMENT: You will have direct management responsibility for the following team members: (LIST OF DIRECT REPORTS AND TITLES). As a people manager you are responsible for performance feedback, approval of time off and timekeeping records for non-exempt reports, and adherence to company policies on hiring, discipline, and accommodation requests. You are required to complete manager training on (TRAINING DATE OR DEADLINE).] You will also participate in [MEETINGS OR FORUMS, e.g., the weekly leadership meeting, the quarterly planning cycle].

7. 7. Updated Duties and Expectations

Your primary responsibilities in the new role are: [RESPONSIBILITY 1], [RESPONSIBILITY 2], [RESPONSIBILITY 3], [RESPONSIBILITY 4]. Responsibilities you will transition away from, and the person taking them on, are: [TRANSITIONING RESPONSIBILITY AND SUCCESSOR NAME]. The transition of those duties should be complete by [TRANSITION DEADLINE]. Success in the first [PERIOD, e.g., 90 days] will be measured by [MEASURABLE EXPECTATIONS OR OBJECTIVES]. A full written job description for [NEW JOB TITLE] is enclosed with this letter. Please raise anything in it that does not match your understanding of the role before the effective date.

8. 8. Benefits, Leave, and Review Cycle

Your benefits [remain unchanged / change as follows: (BENEFIT CHANGES, e.g., eligibility for the (PLAN NAME), an increase in the paid time off accrual rate from (CURRENT ACCRUAL) to (NEW ACCRUAL), eligibility for (ALLOWANCE OR STIPEND))]. Your accrued paid time off balance and your service date for benefit and vesting purposes carry over unchanged; your original hire date of [HIRE DATE] continues to govern seniority-based benefits. Your next performance review is scheduled for [NEXT REVIEW DATE] and will be conducted under the [NEW LEVEL] review criteria. Your next compensation review will occur [NEXT COMPENSATION REVIEW TIMING] in the normal cycle.

9. 9. No Change to Employment Status

Except as expressly changed by this letter, all other terms and conditions of your employment remain the same, including the agreements you have previously signed regarding confidentiality, invention assignment, and any restrictive covenants, which continue in full force. This letter confirms a change in title, compensation, and duties; it is not an employment contract and does not guarantee employment for any specific period. Your employment remains at will, meaning that you or the Company may end the employment relationship at any time, with or without cause or notice, subject to applicable law. No representation to the contrary is binding unless it is in writing and signed by [OFFICER AUTHORIZED TO MAKE EMPLOYMENT CONTRACTS].

10. 10. Acceptance and Signatures

Please sign below to confirm that you accept the promotion on the terms described in this letter and return a signed copy to [HR CONTACT NAME] by [ACCEPTANCE DEADLINE]. If any part of this letter does not match your understanding, contact [HR CONTACT NAME] at [HR CONTACT EMAIL OR PHONE] before signing. Congratulations again. Sincerely, _____. [AUTHORIZED SIGNER FULL NAME]. [AUTHORIZED SIGNER TITLE]. [COMPANY NAME]. Date: [DATE]. Accepted by employee: _____. Printed name: [EMPLOYEE FULL NAME]. Date: [DATE]. Enclosures: job description for [NEW JOB TITLE]; [BONUS OR COMMISSION PLAN DOCUMENT]; [ANY OTHER

ENCLOSURES].

11. Disclaimer

This template is provided for general informational purposes only and is not legal advice. Whether a position qualifies as exempt from overtime depends on actual job duties and salary thresholds under federal and state law, not on job title or on the employee's agreement, and misclassification can create significant back-pay liability. Pay transparency laws in a number of states and cities affect how salary ranges must be disclosed for internal promotions, and equity grants generally require plan administrator or board action and carry tax consequences. Have counsel or an experienced HR professional review classification and compensation changes before issuing the letter. Use of this template does not create an attorney-client relationship with ScanContract.