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How to Calculate FTE for the PPP

One condition to getting your Paycheck Protection Program loan completely forgiven is proving that you maintained the same number of FTEs (full-time equivalents) during the 24-week PPP period as before COVID-19.

Your FTE figure will not necessarily be the same as the number of actual people you had on payroll, especially if you had turnover and part-time employees. Using the FTE measurement will give you a more accurate view of your labor force.

Self-employed individuals with no payroll do not need to worry about calculating FTE. Self-employment PPP is based on 2019 net profit, not payroll numbers.

Further reading: [PPP Loan Forgiveness: The Complete Guide](#)

The FTE definition

The U.S. Treasury defines a FTE as **any employee who works 40 hours per week or more**.

Calculating FTE

Each employee that on average, worked more than 40 hours a week during the particular calculation period, counts as one FTE. One employee cannot be greater than one FTE— overtime does not apply.

Any part-time employees that did not work more than 40 hours on average will have their average weekly hours worked added together. Divide by 40 and round to the nearest tenth to get your FTE calculation. For example, if you have 3 employees who consistently worked 20 hours a week, altogether they would count as 1.5 FTE.

Add your full-time FTE and your part-time FTE to get your total FTE figure.

For simplicity, when completing the forgiveness application, the SBA has alternatively allowed you to use 1.0 for any employee that works more than 40 hours a week, and 0.5 for all other employees. You may use either method of calculation, but the method must be consistently used.

VIDEO: [The Easiest Way to Get Your PPP Loan Forgiven](#)

Let Simplifi Do it for You

Our loan forgiveness reports show your FTE numbers as well as your average payroll expenses, which you will need to apply for the PPP. Login to your payroll account to run reports through our Covid 19 Dashboard ([Click here for VIDEO instructions](#)). If you would like us to provide everything you will need; click [here](#) to request your **PPP Loan Forgiveness Reports** package.

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