



Qualified Business Workforce Calculation

1. Workforce = Founders + Employees
2. Each active Founder is counted as 1.0 regardless of their employment status.
 - a. If a founder is issued a W-2 and only works, part-time, the founder is counted as 1.
 - b. If a founder is not working for the Business, the founder can be counted as 0 (passive founders could include academic founders still at their academic institutions, founders who are no longer participating in the day-to-day business operations, etc).
3. All employees who are issued W-2s must be counted as 1. Active founders who are issued a W-2 are excluded from the Employee count since they are counted as “Founders”.
4. In cases where persons are working for the company in exchange for equity or an alternate in-kind compensation, the company will not be treated as an Employee (this includes members of the Board of Director, Scientific Advisory Board, etc.).
 - a. Persons paid in equity or in-kind will not be treated as employees, whether or not a W-2 is issued.
5. Time-limited workers (contract, temp, interns) will not be treated as employees.