

# Grants Management Guidance

## Subject: Charging Salaries to Federal and State Grants

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### Purpose

The purpose of this guidance is to show how to properly charge salaries to federal and state grants.

#### EXAMPLES

Below are examples show how to properly charge salaries to federal and state grants.

Per [34 CFR §76.707](#) personal services by an employee are obligated when the service/work is performed. The date payroll is paid/issued does not determine when to begin charging the grant.

Teacher A – Contract states he/she is to be paid bi-weekly for 12 months. He/she does not work over the summer but will still receive compensation. In the example below, the blue highlighted cells represent one year of salaries (FY25) and the green highlighted cells represent another year of salaries (FY26).

Teacher A reports to work on August 15, 2024	Begin charging the FY25 grant on Aug. 15 for services performed and report on the FY25 which is due Sept. 30, 2025
Last day Teacher A reports to work is June 10, 2025	All salaries beginning Aug. 15, 2024 through June 10, 2025 should be charged to FY25 grant and reported on FY25 FER which is due Sept. 30, 2025
Teacher A is not physically at work but will receive pay over the summer from June 11, 2025 to August 14, 2025	<p>Charge to FY25 grant and report on FY25 FER which is due Sept. 30, 2025</p> <p><b>NOTE:</b></p> <p>Per EDGAR CFR 76.707, payroll is obligated when the service is performed. As of June 10, 2025, the obligation to pay Teacher A over the summer for <u>services already performed</u> already exists. You cannot charge these salaries to your FY26 grant because the substantially approved date (SAD) is July 1, 2024 or later. You cannot obligate funds prior to a grants SAD. Since the summer salaries were obligated as of June 10, 2025 the obligation existed prior to the substantially approved date for the FY25 grant.</p>

	<p>The FY25 FER should capture obligations that existed as of June 30, 2025 and were liquidated (paid) by Sept. 30, 2025. The summer salaries in this example were obligated as of June 10, 2025, will be liquidated before Sept. 30, 2025, and should therefore be charged to the FY25 grant/FER.</p> <p>PCRs can be submitted July-September to pay obligations that existed as of June 30<sup>th</sup>.</p>
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Teacher A reports to work on August 15, 2025	Begin charging the FY26 grant on Aug. 15 for services performed and report on the FY26 FER which is due Sept. 30, 2026
Last day Teacher A reports to work is June 10, 2026	All salaries beginning Aug. 15, 2025 through June 10, 2026 should be charged to FY26 grant and reported on FY26 FER which is due Sept. 30, 2026
Teacher A is not physically at work but will receive pay over the summer from June 11, 2026 to August 14, 2026	<p>Charge to FY26 grant and report on FY26 FER which is due Sept. 30, 2026</p> <p>The FY26 FER should capture obligations that existed as of June 30, 2026 and were liquidated (paid by 9/30/2026). The summer salaries in this example were obligated as of June 10, 2026 and liquidated before 9/30/2026 and should therefore be charged to the FY26 grant.</p> <p>PCRs can be submitted July-September to pay obligations that existed as of June 30<sup>th</sup>.</p>

\*The obligation, liquidation, and SAD dates used in this example are typical for most grants. Some grants may operate under a different timeline.

If you have any additional questions, please reach out to the Grants Management team at [Grants.Management@education.ohio.gov](mailto:Grants.Management@education.ohio.gov).