

Capital Funds Request (CFR) Guidelines

The General Assembly, through the passage of HB 200 in the 2018 regular session, continues to allow flexibility in the use of school district capital funds without forfeiting the district's eligibility to participate in the School Facilities Construction Commission (SFCC) program. To exercise that flexibility, a district must submit a Capital Funds Request to the Kentucky Department of Education (KDE). The following instructions detail the procedures and guidelines applicable to all Kentucky Public School Districts regarding a Capital Funds Request. In FY 20, HB 200 (2018 Regular Session) has no language allowing the use of capital funds for operating expenditures. However, a district may still submit a CFR request for non operating expenditures listed in KRS 157.420(7).

CFR related questions may be directed to the following KDE staff:

- CFR general and submission questions to Jana Cox at jana.cox@education.ky.gov or (502) 564-3846, extension 4409;
- Facilities and BG-1 review questions to Greg Dunbar at greg.dunbar@education.ky.gov or (502) 564-4326, extension 4429; and
- Financial review questions to Krystal Smith (krystal.smith@education.ky.gov) (502) 564-3846, extension 4425 or Carol Buell at carol.buell@education.ky.gov or (502) 564-3846, extension 4438.

Is a Capital Funds Request needed?

The first step is to determine whether a Capital Funds Request is needed in order to expend the funds as desired. If the expenditure will be for a purpose for which the restricted capital funds are permitted, then no request is necessary.

Examples when a Capital Funds Request is **NOT** required:

- Debt service payments for construction bond payments
- Construction projects which are included on the District Facility Plan (DFP) in priorities 1-4 and the project consists of new construction addition or major renovation as defined in 702 KAR 4:180

Examples **REQUIRING** a Capital Funds Request:

- Operating expenditures such as utilities, supplies, salaries, maintenance, etc. **which, pursuant to HB 200 (2018 Regular Session) are limited to 25% of your district's available capital funds in FY 2018-2019**
- KISTA Bus Debt Service principal and interest
- Purchase of land that is not directly related to the construction of a new building or the expansion of an existing building
- Athletic facilities which are not part of the construction of a new building or the last phase of a major renovation
- Projects noted in the DFP as priority 5 – Discretionary
- Projects not noted on the DFP

- Work that is not for new construction addition or major renovation per 702 KAR 4:180

If the answer to the above question is “no”, then do not move forward with a Capital Funds Request.

Do I need to submit a (BG-1) “Project Application Form” with the Capital Funds Request?

Some expenditures for construction projects require an approved Capital Funds Request to utilize restricted capital funds. Generally speaking, a BG-1 is required if the expenditures create capitalizable building improvements.

The KDE’s District Facilities Branch determines if a BG-1 is required as per 702 KAR4:160.

Examples **REQUIRING** a BG-1:

- Improvements such as replacement of windows/doors, roofing, HVAC, electrical, plumbing, interior finishes and equipment or services that require a registered design professional.
- Improvements such as building additions, new construction or interior renovation to create usable space, regardless of cost.
- Any upgrade for building safety or security, regardless of cost.

If a BG-1 is required, a board approved BG-1 must be properly completed and submitted to KDE’s District Facilities Branch.

How do I determine the amount of funds available to use?

Determine the available balances using the latest available SEEK Calculation (Forecast, Tentative, or Final) Capital Outlay Fund and Building Fund Amounts plus any carryover balances from prior year (including escrowed SFCC), minus any debt service payments that will be paid in the current year, minus the total of all active BG-1s approved to use Capital Outlay Fund 310 cash, Building Fund 320 cash, or SFCC cash, minus any current year capital funds requests previously approved. The SEEK Calculation document is located on the KDE website:

[SEEK Calculations](#)

[Capital Funds Request](#)

HB 200 (2018 Regular Session) limits district requests to use capital funds for operating expenditures to 25% of your district’s available capital funds in FY 2018-2019

Residual Funds from Construction Fund 360 will be determined by the amount of funds the district has remaining within a project after the project has been closed out and a “Project Closeout Form” (BG-5) has been submitted and approved by KDE’s District Facilities Branch.

Please note that the funds remaining in a project are subject to the same restrictions of the original funding source(s) of the project, with the most restrictive purpose last.

The Capital Funds Request Form will aid in determining the amount of funds available. Instructions to complete the form follow in Step Four.

Active or open BG-1 obligated project funds are generally not available to be used in a Capital Funds Request. Residual funds from closed projects may be used toward Capital Funds Requests. Districts must also obtain SFCC approval to use any SFCC funds and any interest earned on those funds. Any residual funds remaining from projects with SFCC participation can only be used in accordance with SFCC regulations which can be found at 750 KAR 1:010 Section 7.

[750 KAR School Facilities Construction Commission](#)

A reduction in funds committed to a project prior to the completion of the project may be utilized in a Capital Funds Request **ONLY** if the reduction is the result of a lower bid reflected on the first revised BG-1 submitted with the construction contract rather than the initial estimated cost of the project reflected on the initial BG-1.

How do I complete the Capital Funds Request Form?

The Capital Funds Request Form instructions are outlined below. The numbered items correspond to the numbered lines on the form. When completing the Capital Funds Request (CFR) form, please follow the detailed instructions in order to ensure the district's financial data are recorded accurately on the form. This will result in the form being processed by KDE without any delays. Prior to submitting the form to KDE, the local board must approve the proposed use of restricted capital funds.

What is a district plan and do I need to include this in my submission?

A district plan will address the need for the capital funds request and the future ability to cover these shortfalls in funding. A district plan will be required if the capital funds request is for salaries or other recurring operational expenses, when a district has also applied for urgent needs funding through SFCC, or the capital funds are being requested for discretionary projects (Category 5 on the most recent District Facility Plan) when urgent priorities exist. If your district has a large, diminishing, or small fund balance, a district plan may also be required.

How do I submit the Capital Funds Request?

Capital Funds Requests shall be submitted electronically through an e-mail and required documentation attached (the Capital Funds Request form, debt service schedules, associated BG-1s, BG-5 approval letter(s) and approval from SFCC, if applicable) to Jana Cox, at jana.cox@education.ky.gov. Indicate "CFR—District Name" in Subject line of the email.

The district's Superintendent, by signing the form, is certifying the accuracy and completeness of the Capital Funds Request along with the validity of all BG forms, SFCC escrow amounts, interest earned, and other data. The Superintendent is also attesting that local board approval has been obtained for the use of funds as reflected in the Capital Funds Request.

The submission deadline is May 30 of each year. KDE needs sufficient time to process and approve all Capital Funds Requests prior to the end of the fiscal year so districts can accurately report those funds on the financial statements. All expenditures made in connection with a Capital Funds Request must be made by June 30th. Any Capital Funds Request approved by KDE that have not been expended by June

30th will revert to the original source and will be subject to escrow requirements. There will be no carryover of fund balances for the prior requested expenditures to the next year. Only the actual expenditure amount shall be transferred and recorded as expenditure and not the maximum approved amount. Any Capital Funds Request submitted to KDE but not approved by June 30th will also revert to the original source and will be subject to escrow requirements.

For detailed instructions on how to record the CFR expenditures and how and when to record escrowing journal entries, please refer to the CFR Guidelines to Record Capital Spending document located on the [Capital Funds Request webpage](#). Fiscal YE Processing BGL-2 document located on the [MUNIS Support & Guides webpage](#) under the General Ledger-Year End section, and the *GASB 54 Best Practices* document located on the [Fund Balances, Receipts and Expenditures, Chart of Accounts and Indirect Cost Rates webpage](#) under the Chart of Accounts section.

If a district requests and receives approval to expend restricted capital funds for another purpose through a CFR, the district is not required to make those planned expenditures. If circumstances allow the district to keep the funds in the restricted fund, no action needs to be taken with KDE.

KDE reviews the CFR to verify the total amount of available funds and to ensure BG-1s are submitted when required. Upon approval of the CFR, the district may make transfers out of the restricted funds (Fund 310, 320 or 360, as applicable) into the appropriate fund for expenditure as outlined in Schedule A. The district does not need to report the amounts of the transfers from each fund to KDE, but can make those transfers at its discretion upon approval of the CFR.

Can I submit more than one Capital Funds Request?

Yes. Multiple Capital Funds Requests may be made throughout the fiscal year as needed. Each subsequent request must begin with line 12. No other information from the previous requests should be included on subsequent requests. When completing a subsequent Capital Funds Request form, please indicated the district's name and fiscal year at the top of the form and then begin completing the form at line 12. If there have been significant monetary changes in available revenues, the district may record **ONLY** those changes on lines 2 through 11 as needed.

District staff will need to consult with KDE's District Financial Management Branch prior to submitting to KDE a proposed revised BG-1 that is associated with previous KDE approved Capital Funds Requests and the proposed revised BG-1 funding source(s) and/or dollar mount(s) will be changing.

Capital Funds Request Form (CFR)

Instructions

The CFR form must be completed in Excel with amounts entered as whole dollar amounts only. Any amounts ending with fifty cents or more shall be rounded up to the next whole dollar and any amounts ending with less than fifty cents shall be rounded down. For example, \$234,502.52 shall be rounded up to \$234,503 and \$234,502.45 shall be rounded down to \$234,502. **Please note KDE does not accept handwritten CFRs.**

- 1. District and FY.** (Required for all CFRs) Enter the district's name and current fiscal year.
- 2. Capital Outlay Fund 310 - Complete only for the initial request.** This section will not need to be completed on subsequent requests.

(Required for initial CFRs only) Enter the amount of capital outlay funds shown in the lower left hand corner below the box from the latest SEEK calculation available on the KDE website: Forecast, Tentative, or Final, respectively.

- a) Carryover.** (Optional) Enter the amount of prior fiscal year capital outlay fund carryover balance, if any. The capital outlay fund (Fund 310) carryover amount is reported on the district's most current Unaudited AFR, Audited AFR or audit report, respectively.
- b) Interest Earned.** (Optional) Enter the amount of interest earned which is allocated to capital outlay funds in an interest bearing account, if any. The School Facilities Construction Commission's (SFCC) written approval (email or letter) must have been received by the district and attached to the CFR in order to include any interest earned on SFCC funds. Use actual year-to-date (YTD) amounts already received. Estimates of amounts to be collected/earned are not permitted. Indicate SFCC approval date in the space provided. If the interest earned amount is a significant amount, then KDE's District Financial Management Branch (DFMB) staff may request an YTD Budget Report from the district's MUNIS system that shows the YTD Actual available interest earned. An example of the report is located on KDE's [Capital Funds Request webpage](#).
- c) Escrowed SFCC.** (Optional) Complete only if these funds are to be used. If applicable, enter the amount of funds from capital outlay fund balances leftover at the end of each odd-numbered fiscal year that shall be escrowed for future debt service and used to address priorities listed in the approved facilities plan. District's total SFCC escrow amounts included on the Capital Funds Request(s) are recorded in the districts most current Unaudited AFR, Audited AFR or audit report, respectively. Those amounts must reconcile to the total of what has been approved by SFCC. The SFCC's written approval (email or letter) must be attached to the CFR in order to include any escrowed SFCC funds on a Capital Funds Request. Indicate SFCC approval date in the space provided along with the SFCC approval date for interest earned as referenced in section 'c.' above, if applicable.

3. **Total Available Capital Outlay Fund 310 Revenue** (Lines 2a + 2b + 2c + 2d, computed automatically).
4. **Building Fund 320 - Nickels - SEEK - Complete only for the initial request.** This section will not need to be completed on subsequent requests.
- a) **Building Fund 320 Nickel SEEK Amount.** (Required for initial CFRs only) Enter the total of the amounts in all rows shown in the “Local” and “Adjusted State” columns in the lower left hand corner of the box labeled “Nickels Calculation” from the latest SEEK calculation available on the KDE website: Forecast, Tentative, or Final, respectively.
 - b) **Carryover.** (Optional) Enter the amount of prior fiscal year building fund carryover balance, if any. The building fund (Fund 320) carryover amount is reported on the districts most current Unaudited AFR, Audited AFR or audit report, respectively.
 - c) **Interest Earned.** (Optional) Enter the amount of interest earned which is allocated to building funds in an interest bearing account, if any. The SFCC’s written approval (email or letter) must have been received by the district and attached to the CFR in order to include any interest earned on SFCC funds. Use actual YTD amounts already received. Estimates of amounts to be collected/earned are not permitted. Indicate SFCC approval date in the space provided. If the interest earned amount is a significant amount, then KDE’s DFM staff may request a YTD Budget Report from the district’s MUNIS system that shows the YTD Actual available interest earned. An example of the report is located on KDE’s [Capital Funds Request webpage](#).
 - d) **Additional Nickel(s) Not shown on SEEK Calculation document.** (Optional) An additional Nickel may be obtained by a local district tax levy, passed at the local level, which is not paid, enforced or governed by KDE or the state. If applicable, enter the amount to be collected from the additional nickel(s) on this line. Because this information is not reflected in SEEK calculation, please submit a copy of the YTD Budget Report from the district’s MUNIS system that shows the additional nickel’s Revised Budget. An example of the report is located on KDE’s [Capital Funds Request webpage](#).
 - e) **Escrowed SFCC.** (Optional) **Complete only if these funds are to be used.** If applicable, enter the amount of funds from building fund balances leftover at the end of each odd-numbered fiscal year that shall be escrowed for future debt service and used to address priorities listed in the approved facilities plan. District’s total SFCC escrow amounts included on the Capital Funds Request(s) are recorded in the districts most current Unaudited AFR, Audited AFR or audit report, respectively. Those amounts must reconcile to the total of what has been approved by SFCC. The SFCC’s written approval (email or letter) must be attached to the CFR in order to include any escrowed SFCC funds on a Capital Funds Request. Indicate SFCC approval date in the space provided along with the SFCC approval date for interest earned as referenced in section ‘c.’ above, if applicable.
5. **Total Available Building Fund 320 Revenue** (Lines 4a+ 4b + 4c + 4d + 4e, computed automatically)
6. **Construction Fund 360.** (Optional) **Available Funds from BGs - Complete only if these funds are to be used.** The district must have received the KDE’s District Facilities Branch approval of the BG-1 before including the funds in a Capital Funds Request.

A reduction in funds committed to a project prior to the completion of the project may be utilized in a Capital Funds Request **ONLY** if the reduction is the result of a lower bid reflected on the first revised BG-1 submitted with the construction contract rather than the initial estimated cost of the project reflected on the initial BG-1.

For example:

A – Initial BG-1 \$500,000

B – 1st Revised BG-1 \$450,000

C – 2nd Revised BG-1 \$430,000

D – BG-5 \$420,000

The initial BG-1 (A) is an estimate made by the district when the project is first submitted for approval to the District Facilities Branch (DFB). KDE's DFB and DFMB approve the initial BG-1. The district then bids the project. After the BG-1 is revised to conform to the bid, the 1st revised BG-1 (B) is submitted to DFB. A reduction in the estimated cost of the project from the initial BG-1 to the 1st revised BG-1 approved by KDE's DFB and DFMB may be utilized in a CFR (B-A = \$50,000).

As the project progresses, some of the estimated costs change and another revision is made to the BG-1 (C). This difference may **not** be utilized in a CFR. (C-B = \$20,000).

When the project is completed and the BG-5 is approved by DFB. The difference in the completed project total (D) and the 1st revised BG-1 (B) may also be utilized in a CFR as long as approval is obtained from SFCC if SFCC funds remain (D-B = \$30,000). **Note: The residual construction fund money is not available toward a CFR if a funding source listed on the closed BG-1 is a SFCC Bond Sale with the latest approved amount equal to or higher than available residual funds.**

7. **1st Associated BG-#.** (Optional) Enter the BG-# that is associated with the completed construction project which is linked to a BG-5, or the BG-# assigned to the project if utilizing funds available when the 1st revised BG-1 is revised to conform to the bid. Only residual funds from BG-5s that have been approved by KDE's District Facilities Branch can be utilized. If the project was closed on or after September 6, 2013, then the BG-5 Closeout Approval letter from KDE's District Facilities Branch (DFB) must be attached to the CFR in order to include any residual funds. Indicate the BG-5 Approval letter date in the space provided. If the project was closed prior to September 6, 2013, then the BG-4 Closeout Approval letter from KDE's DFB must be attached to the CFR and indicate the BG-4 Closeout Approval letter date in the space provided for the BG-5 Closeout Approval letter. Then continue to complete the CFR based on the residual funds and interest earned information from the BG-4 and/or district's MUNIS information instead of the BG-5 information.
 - a) **Beginning Available Balance.** (Optional) Enter the available residual funds from the approved BG-5 on the construction fund for the 1st associated BG-#. (D-B in the example above.) If utilizing funds made available when the 1st revised BG-1 is revised to conform to the bid, enter the difference between the initial BG-1 and the 1st revised BG-1. (B-A in the example above.) Please submit a copy of the district's current Project Budget Report from the district's MUNIS system – Fund 360 that shows the Project to Date available balances. An example of the report is located on KDE's [Capital Funds Request webpage](#).

The SFCC's written approval (email or letter) must be attached to the CFR in order to include any SFCC residual funds. Indicate SFCC approval date in the space provided. Any residual funds remaining from projects with SFCC participation can only be used in accordance with SFCC regulations which can be found at [750 KAR 1:010 Section 7](#).

- b) **Interest Earned.** (Optional) Enter the amount of interest earned and allocated to the project, if any, from the 1st associated BG-# from an interest bearing account associated with the attached or listed BG-5. The SFCC's written approval (email or letter) must be attached to the CFR in order to include any interest earned on SFCC residual funds. **Use actual YTD amounts.** Estimates of amounts to be collected/earned are not permitted. Indicate SFCC approval date in the space provided along with the SFCC approval date for residual funds as referenced in section 'a.' above, if applicable. If the interest earned amount is a significant amount, then KDE's staff may request a current Project Budget Report from the district's MUNIS system – Fund 360 that shows the Project to Date available interest earned. An example of the report is located on KDE's [Capital Funds Request webpage](#).

8. **Total 1st BG-#** (Line 7a + 7b). The available funds from the 1st associated BG-# for Capital Funds Requests, computed automatically.

9. **2nd Associated BG-#.** (Optional) Enter the BG-# that is associated with the completed construction project which is linked to a BG-5, or the BG-# assigned to the project if utilizing funds available when the 1st revised BG-1 is revised to conform to the bid. Only residual funds from BG-5s that have been approved by KDE's District Facilities Branch can be utilized. If the project was closed on or after September 6, 2013, then the BG-5 Closeout Approval letter from KDE's District Facilities Branch (DFB) must be attached to the CFR in order to include any residual funds. Indicate the BG-5 Approval letter date in the space provided. If the project was closed prior to September 6, 2013, then the BG-4 Closeout Approval letter from KDE's DFB must be attached to the CFR and indicate the BG-4 Closeout Approval letter date in the space provided for the BG-5 Closeout Approval letter. Then continue to complete the CFR based on the residual funds and interest earned information from the BG-4 and/or district's MUNIS information instead of the BG-5 information.

- a) **Beginning Available Balance.** (Optional) Enter the available residual funds from the approved BG-5 on the construction fund for the 2nd associated BG-#. (D-B in the example above.) If utilizing funds made available when the 1st revised BG-1 is revised to conform to the bid, enter the difference between the initial BG-1 and the 1st revised BG-1. (B-A in the example above.) Please submit a copy of the district's current Project Budget Report from the district's MUNIS system – Fund 360 that shows the Project to Date available balances. An example of the report is located on KDE's [Capital Funds Request webpage](#). The SFCC's written approval (email or letter) must be attached to the CFR in order to include any SFCC residual funds. Indicate SFCC approval date in the space provided. Any residual funds remaining from projects with SFCC participation can only be used in accordance with SFCC regulations which can be found at [750 KAR 1:010 Section 7](#).

- b) **Interest Earned.** (Optional) Enter the amount of interest earned and allocated to the project, if any, from the 2nd associated BG-# from an interest bearing account associated with the attached or listed BG-5. The SFCC's written approval (email or letter) must be attached to the CFR in order to include any interest earned on SFCC residual funds. Use actual YTD amounts. Estimates

of amounts to be collected/earned are not permitted. Indicate SFCC approval date in the space provided along with the SFCC approval date for residual funds as referenced in section 'a.' above, if applicable. If the interest earned amount is a significant amount, then KDE's staff may request a current Project Budget Report from the district's MUNIS system – Fund 360 that shows the Project to Date available interest earned. An example of the report is located on KDE's [Capital Funds Request webpage](#).

10. Total 2nd BG # (Line 9a + 9b). The available funds from the 2nd associated BG # for Capital Funds Requests, computed automatically.

11. Total Available Fund 360 Revenue from BGs (Lines 8 + 10). The total available Fund 360 revenue for Capital Funds Requests, computed automatically.

12. Adjustment to SEEK Calculation Capital Outlay Fund and/or Building Fund Amounts. (Required for all subsequent CFR's) This line reflects adjustments made to the SEEK calculation capital outlay and/or building fund amount(s) compared to what was reported on a previous CFR. An adjustment will occur if a subsequent SEEK calculation is posted with different amounts after the initial Capital Funds Request is made for the fiscal year. Enter the difference in the SEEK calculation on this line, if any. Please reflect increase in the fund(s) with a positive amount and decrease with a negative amount on the form. This line will not be used on the initial CFR for the fiscal year but is required on subsequent CFR if SEEK amount changes.

13. Previous Remaining Available Capital Funds. (Required for all subsequent CFRs) The amount shown on line 17 of the district's previous Capital Funds Request form. Please include the CFR tracking number(s) that is reported on the district's previous Capital Funds Request approval letter from KDE. This line will not be used on the initial CFR for the fiscal year.

14. Capital Funds Commitments (Expenditures).

- a) **Debt Service Payments.** (Required for initial CFRs only) Enter the total amount of debt service payments, district's portion net of federal rebates, for which capital funds are utilized. The debt service payment amount shall be recorded on the district's initial request only. This section will not need to be completed on subsequent requests unless the debt service amount changes.

Debt Service Schedule ATTACHED. Mark this line with an "X" indicating that the district has included/attached its debt service schedules, district's detailed gross and net of federal rebates to the Capital Funds Request form. The only schedule acceptable is the one obtained from the district's fiscal agent.

If prior fiscal year funds were used to pay any portion of the debt service payments causing the district's debt service amount to be different than the fiscal agent's or if other funds other than Capital Outlay Fund and Building Fund will be used to pay any portion of the district's fiscal year debt service amounts, please submit a statement to that fact as additional documentation.

If the district receives federal rebates or any form of debt service reimbursements, the total amount of rebates received during current year must be shown separately as an additional column on the debt service schedule.

If during the year the debt service amount decreases (due to bond refinancing) or increases (due to additional bond sale), the district must submit the latest debt service schedule obtained from fiscal agent and report the adjustment (+ or -) amount in line 14a.

- b) **Fund 310 and Fund 320 BG-1 Cash.** (Required for all CFRs, if applicable) Enter the total amount(s) approved on all current projects (BG numbers) and any active prior fiscal year(s) projects (BG numbers) using current year capital outlay and/or building fund cash, if applicable. Include the BG number for each in the space provided. For example, if the district has previously submitted a BG-1 which includes funds from Fund 310 or 320 (including SFCC funds, if applicable) that amount is already committed to that particular construction project and cannot be considered available for a CFR.

15. Total Capital Funds Commitments (Expenditures) (Lines 14a + 14b). The total of the amounts listed on lines 14a and 14b, computed automatically.

16. Current Requested Amount (Schedule A).

The total amount reported on line 18 of Schedule A: Current Capital Funds Requested Amount, computed automatically. This amount represents the total amount of capital funds that the district is requesting to use for general operating expenditures.

17. Total Remaining Available Capital Funds (Lines 3 + 5 + 11 + 12 + 13 - 15 -16). The total remaining available capital funds, computed automatically, is the result of the current fiscal year's commitments and the current requested amount deducted from available revenues. This number **CANNOT** be a negative number.

Schedule A: Current Capital Funds Requested Detail. Schedule A consists of the operating expenditures information for which the district is requesting to use capital funds. The district shall provide the MUNIS Object Expenditure Code that will be used to record General Fund Expenditure, MUNIS or Itemized Description, Expenditure Amount Requested in whole dollars only, and any current year Associated BGs, if applicable. If the BG-1 has been submitted to KDE's District Facilities Branch but has not been assigned a BG number, please type "TBD" (To Be Determined) in the Associated BG# field. Enter the MUNIS account codes for the actual operating expenditures in the appropriate fund. Do not use any "091" - Fund Transfers Out" codes. For assistance in determining the appropriate account codes to use, see the "Guidelines to Record Capital Spending" document at [Capital Funds Request](#).

18. Total Schedule A: Current Capital Funds Requested Amount. The total amount of capital funds that the district is requesting to use for general operating expenditures. When individual line item amounts are entered into Schedule A, the total is computed automatically.

19. Sign and Date the form. Actual signatures are required from the district's superintendent and finance officer.