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RGM Memo

Date April 19, 2013
To School Owners and Financial Aid Administrators
RE Update on Impact of Sequester on Title IV Programs

The Department released an Electronic Announcement indicating the impact of the sequester on Title IV programs in March.

We sent you an RGM memo on this Electronic Announcement where it indicates the Pell Grant Funds would not be impacted for the 2014 award year.

Here is the link:

<http://ifap.ed.gov/eannouncements/030113ImpactofSequestrationonTitleIVFSAProg.html>

Earlier this month, the IFAP released another Electronic Announcement as a follow-up to the previous announcement indicating an increase in the Direct Loan Fees and a 5.52 reduction in SEOG and FWS allocation.

On the Direct Loan fee increase, the change will take effect on FIRST DIBURSEMENTS of any loan which is disbursed on or after July 1, 2013.

This is very important.

Here is the link:

<http://ifap.ed.gov/eannouncements/040512UpdateImpactOffSequestrationOnTitleIVPrograms.html>

Please read the 2 Electronic Announcements in their entirety.

We are currently working on the new changes in the RGM Web System regarding the fee increase for Direct Loans.

The COD system will not implement the new change until June 28, 2013, therefore, we will not be sending any Direct Loan records where the first disbursement for any Loan is on or after July 1, 2013 before the June 28th date.

Thank You,

Rafael