In general, Universities may not disburse a Stafford or Plus loan to a student who has ceased to be enrolled – the student is no longer eligible. In some circumstances, however, a student who has withdrawn from CSU may be eligible for a post-withdrawal disbursement of all or some portion of a Stafford or Plus loan. A student may be eligible for a post-withdrawal disbursement if CSU determines the student earned more aid than was disbursed for the period the student attended. Note, however, that if the student is eligible for a post-withdrawal disbursement, CSU must use all available grant funds prior to using any loan funds for that purpose.

**Post-Withdrawal Disbursement Rules**

CSU may automatically use all or a portion of your post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with CSU). CSU needs the student’s permission to use the post-withdrawal grant disbursement for all other school charges. If the student does not give permission the student will be offered the funds. However, it may be in the student’s best interest to allow CSU to keep the funds to reduce the debt (to CSU).

**Student Eligibility Requirements**

Some Title IV funds that a student was scheduled to receive cannot be disbursed once the student withdraws because of other eligibility requirements. For example, if you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not receive any FFEL or Direct loan funds that you would have received had you remained enrolled past the 30th day.

**Excess Title IV Funds**

If the student or the parent (for dependent students) receives excess Title IV program funds that must be returned, CSU must return a portion of the excess equal to the lesser of: the institutional charges multiplied by the unearned percentage of your funds, or the entire amount of your excess funds. CSU must return this amount even if it didn’t keep this amount of the Title IV program funds. If CSU is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds that the student or parent must return, must be returned in accordance with the terms of the promissory note. That is, the student/parent must make scheduled payments to the holder of the loan over a period of time.