Kredila Operational Runbook: USA Disbursement

1. Document Overview

- **Entity:** Kredila Financial Services (Global / US Corridor)
- **Compliance Framework:** US Department of Education guidelines & University Bursar Policies.
- **SLA:** * **Tuition:** 3–5 Business Days (dependent on University certification).
  - **Living Expenses:** 48 Hours post-University "Refund" trigger.

2. Trigger Conditions

Disbursement to the USA requires a three-way handshake:

1. **Form I-20 Validation:** Student must have a valid I-20 issued by the SEVP-certified institution.
2. **Visa Status:** F-1/J-1 Visa copy verified (unless pre-visa "Proof of Funds" is required).
3. **University Certification:** Many US schools require a "Certification of Loan" from Kredila to ensure the amount does not exceed the **Cost of Attendance (COA)**.

3. Process Steps (The USA Workflow)

Step 1: Flywire / Convera / TransferMate Integration

90% of US Universities do not accept direct bank wires to their accounts; they use payment aggregators.

- **Action:** Generate a "Payment Instruction" on the university's portal (e.g., Flywire).
- **Process:** Link the Kredila Loan ID to the student's **University ID Number**.
- **Requirement:** The name on the Kredila disbursement must exactly match the student's name on the University portal to avoid "Unidentified Credit."

Step 2: Cost of Attendance (COA) Check

- **Rule:** US federal regulations prohibit students from receiving more aid than the school's official COA.
- **Calculation:**

$$Disbursement_{Allowed} = COA - (Scholarships + Grants + Other Loans)$$

- **Action:** If the student's request exceeds this, the disbursement must be automatically reduced to the limit.

Step 3: Living Expense Routing (The "Refund" Model)

Kredila follows the standard US "Refund" model for living expenses:

- **Option A (Standard):** Kredila sends the *entire* semester amount to the University. The University deducts tuition and "refunds" the remainder to the student's US bank account (e.g., Chase, Bank of America).
- **Option B (Direct):** Only if authorized by the Bursar, Kredila sends living expenses to a **Kredila USD Virtual Card** provided to the student.

Step 4: 1098-T Tax Reporting Data

- As a lender for US-based education, Kredila must log all disbursements to assist the student in potential **1098-T** tax credit filings for their co-applicants (if they have US tax liability).

4. Critical Dependencies

- **The Bursar's Office:** The ultimate authority on when and how much money is accepted.
- **SEVIS:** System for verifying the student's active status.
- **Payment Portals:** Flywire, Convera (formerly Western Union Business), and Nelnet.

5. Failure Scenarios – USA Specific

Scenario	Troubleshooting Action
Over-Borrowing (COA)	University rejects the transfer. **Action:** Recalculate based on Bursar's "Maximum Eligibility" and re-send.
I-20 Termination	Student's SEVIS record is deactivated. **Action:** Freeze all pending tranches immediately.

Missing "Payment ID"	Transfer sent without Flywire/Convera reference. **Action:** Initiate "Trace Request" with the US intermediary bank (usually 3–7 days).
Late Fee Risk	University "Payment Deadline" approaching. **Action:** Issue a **"Memo of Disbursement"** to the Bursar to prevent student de-registration while funds are in transit.

6. Escalation Matrix

- **Tier 1 (Ops Associate):** Standard University portal uploads.
- **Tier 2 (University Liaison):** Delay > 48 hours in University "Acceptance" of funds.
- **Tier 3 (Compliance Officer):** Issues regarding **OFAC Sanctions** or **I-20** discrepancies.

7. Post-Disbursement

1. **Enrollment Verification:** Confirm the student has actually "Checked In" at the campus.
2. **Grace Period Tracking:** Start the 6-month post-graduation grace period clock in the KMS based on the "Expected Graduation Date" on the I-20.