

2024 - 2025

Program Guidelines

Future Occupations & Reskilling Workforce Advancement to Reach Demand (FORWARD) Loan

**Texas Higher
Education**
COORDINATING BOARD



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FORWARD Loan Program

The Texas Higher Education Coordinating Board (THECB) Program Guidelines are intended to support institutions by highlighting requirements that appear in the Texas Education Code (TEC) and Title 19 of the Texas Administrative Code (TAC). When administering this program, institutions should always refer to the relevant statutes and rules. The information in this document is to be used solely as a resource and does not override the statute or rules for this program.

Program Authority and Purpose ([TAC, Title 19, Section 22.175](#))

The Future Occupations & Reskilling Workforce Advancement to Reach Demand (FORWARD) Loan Program is authorized by [TEC, Chapter 52, Subchapter C](#). Rules for administering the program can be found in [TAC, Title 19, Chapter 22, Subchapter J](#). The FORWARD Loan Program is a low-interest loan to cover educational expenses designed for students enrolled in programs aligned with high-value credentials and high-demand occupations. The program provides alternative educational loans to Texas students who are unable to meet the cost of attendance.

Eligible Institutions ([TAC, Title 19, Section 22.178](#))

Public or private nonprofit institutions of higher education (including junior colleges) located in Texas, accredited by a recognized accrediting agency, as defined in [TEC, Title 3, Section 61.003](#), are eligible to participate in the FORWARD Loan Program.

Program Eligibility

Eligibility Requirements ([TAC, Title 19, Section 22.179](#) & [22.182](#))

Students must:	
<ul style="list-style-type: none"> ✓ be a Texas resident; ✓ be registered with Selective Service or be exempt (see Selective Service Statement); ✓ have insufficient resources to finance their education; ✓ meet the satisfactory academic progress (SAP) requirements set by the institution; ✓ receive a favorable credit evaluation or provide a cosigner who has a good credit standing and meets other requirements; ✓ sign a promissory note and provide two references who live at separate addresses; ✓ be enrolled in a high-demand credential program; and ✓ meet one of the following enrollment requirements: <ul style="list-style-type: none"> • Degree program: must be enrolled in a degree program having completed at least 50% of the required coursework before receiving a FORWARD loan. • Non-degree program: must be enrolled in a non-degree program with a duration less than two years. • Baccalaureate-master's degree program: must be enrolled in master's degree coursework, with the master's degree as part of a combined baccalaureate-master's program approved by the institution. 	
Cosigners must:	Students and cosigners must meet the following credit approval requirements:
<ul style="list-style-type: none"> ✓ be at least 21 years of age; ✓ have a regular source of income; ✓ not be the borrower or the spouse of the borrower; ✓ receive a favorable credit evaluation; and ✓ be a U.S. citizen or a permanent U.S. resident and reside in the U.S. or in a U.S. territory. 	<ul style="list-style-type: none"> ✓ Have an Experian VantageScore of 650 or higher ✓ Do not have public records such as tax liens or bankruptcy proceedings ✓ Have a minimum of four credit trade lines, excluding student loans or authorized user accounts ✓ Have not defaulted on any federal or private education loans

Satisfactory Academic Progress

A student must meet the minimum SAP requirements toward the eligible high-demand credential of the institution in the semester any loan is made. Institutions have the flexibility to define what it means to meet SAP requirements. If a student is not meeting the institution's SAP, a documented appeal process may be used to determine if the student is eligible for a FORWARD Loan. A student can receive a FORWARD Loan if an SAP appeal has been approved by the institution.

Additional Information

Calculating Eligibility for TASFA Filers

If a student files a Texas Application for State Financial Aid (TASFA), the financial assistance to be deducted should include all aid they were awarded. No Title IV eligibility would be included in the deduction of other forms of financial assistance when calculating the loan amount.

Calculating Eligibility for Non-FAFSA Filers

If a student is eligible but chooses not to file a FAFSA, the financial assistance to be deducted should include all aid they were awarded. The institution must also deduct the maximum Direct Loan eligibility (including subsidized and unsubsidized) based on the student's grade level and the institution's best determination of dependency status (even if the institution does not participate in the Direct Loan program). If the institution has nothing in their records that would suggest the student is independent, then dependent can be used as the default.

Child Support Arrearages

Per [Texas Family Code, Title 5, Section 231.006](#), a student who is obligated to pay child support and is more than 30 days delinquent is not eligible to receive a state-funded grant or loan.

Institutions determine how to best comply with this state requirement and should work with their legal counsel on questions related to this statutory mandate.

Discontinuation of Eligibility ([TAC, Title 19, Section 22.180](#))

Eligibility for the program ends two years from the start of the semester in which the student received the first FORWARD Loan unless the student is granted a hardship.

Hardship Provisions ([TAC, Title 19, Section 22.181](#))

A student who is ineligible for a FORWARD Loan may be eligible under a hardship provision based on one of the following provisions:

- The student is not meeting SAP requirements.
- The student is enrolled beyond the time limit restrictions relating to “Discontinuation of Eligibility.”

The institution will determine any acceptable reasons to grant a hardship decision. Each institution must adopt a hardship policy and have the policy available for public review. All hardship decisions must be documented in the student’s record and be available for submission to the THECB, upon request.

Changes to High-Demand Credential Programs

If a high-demand credential program is no longer eligible after a student receives a FORWARD loan, they may continue to receive loans through the program if:

- the student continues to be enrolled in the credential program that was used to demonstrate initial eligibility for the program; and
- the student continues to meet all other eligibility criteria under [TAC, Section, 22.179](#).

Selective Service Statement ([TAC, Title 19, Section 22.3](#))

Under [TEC, Title 3, Section 51.9095](#), an individual must file a statement of their Selective Service status with the institution confirming registration or exemption.

This statute applies to all state-funded financial aid, as well as “federal funds or gifts and grants accepted by this state.” The statement is required from students receiving federal aid or private donations that pass through the state Treasury or governor’s office (i.e., Governor’s Emergency Education Relief, or GEER), state-appropriated funds, or institutional funding, which includes programs funded by tuition set-asides, exemptions, and waivers.

Any of the following can be used to meet the statutory statement requirement:

- THECB Selective Service Statement of Registration Status ([English Statement](#) or [Spanish Statement](#))
- Printout from [SSS.gov](#) website
- Institutional Student Information Record (ISIR) if status is available*
- THECB Selective Service Statement of Registration Status embedded in the Texas Application for State Financial Aid (TASFA)

*As of FY 2023-24, registration status is no longer reported on the ISIR. Institutions can use any prior year ISIR that confirms registration to meet the statutory requirement for a student's status.

Institutions are **not** required to collect “proof” of registration or exemption from students or to verify the accuracy of the statement against external databases or other resources if conflicting information does not exist. See [Updated Guidance on Statutory Requirements that Impact Financial Aid Memo](#)).

SELECTIVE SERVICE STATEMENT OF REGISTRATION STATUS

In accordance with [Texas Education Code, Section 51.9095](#), male students must file a Selective Service Statement of Registration Status with their Institution or other entity granting financial assistance. For more information about the Selective Service System, visit [sss.gov](#).

Please mark **one** option below:

<input type="checkbox"/> I was born female and not required to register.	<input type="checkbox"/> I was born male and am EXEMPT from registration because: (please briefly explain why you are exempt in the box below.)
<input type="checkbox"/> I was born male and am under the age of 18 and not currently required to register.	<div style="border: 1px solid black; height: 100px; width: 100%;"></div>
<input type="checkbox"/> I was born male and am REGISTERED with the Selective Service.	
<input type="checkbox"/> I was born male and am over the age of 18. I am not registered with Selective Service and I am not exempt from registration with Selective Service.	

I, _____, hereby certify that the Selective Service status statement provided above is true and accurate.

Student ID: _____ Signature: _____ Date: _____

Complete and return to the Financial Aid Office at your institution of higher education.

Selective Service Statement of Registration Status As of 09/28/2021

Additional Information

Collection Method

The institution has flexibility to create an online, paper, or alternate method to collect the statement as long as it uses the content developed and required by the THECB.

Frequency Collecting the Statement

If the student’s status will NOT change, the statement collected can be used for subsequent semesters at the same institution.

If the student is NOT registered for Selective Service, a statement must be collected each time they apply for financial aid or a student loan until the statement indicates registered or exempt.

Males Age 26 or Older

Individuals older than the maximum age at which an individual is required to be registered with the Selective Service System under federal law are not required to complete this status statement.

Retention Schedule

The status statement must be retained in the student’s record based on the retention schedule outlined in the institution’s Program Participation Agreement (PPA).

Processing Funds

Loan Amounts ([TAC, Title 19, Section 22.183](#))

Students may only receive FORWARD Loan funding to cover reasonable expenses, not to exceed the cost of attendance (COA). When certifying a FORWARD Loan, institutions are confirming that the amount of the requested loan is \$100 or greater and does not exceed the difference between the cost of attendance and the financial resources available to the applicant (regardless of whether the student actually accepts the assistance).

The financial resources that must be considered when determining the amount of a FORWARD Loan eligibility include:

- free sources of student aid, such as gifts, grants, and scholarships; **AND**
- the amount of any Federal Direct Loan (including subsidized and unsubsidized) that a student borrower is eligible to receive.

Eligibility for Federal PLUS loans should not be considered when determining the amount of a FORWARD Loan.

Note: A student's Federal Direct Loan Program eligibility must be taken into consideration, even if the institution does not package Direct Loans or if the student declines to complete a Free Application for Federal Student Aid (FAFSA).

Certifying Loan Applications

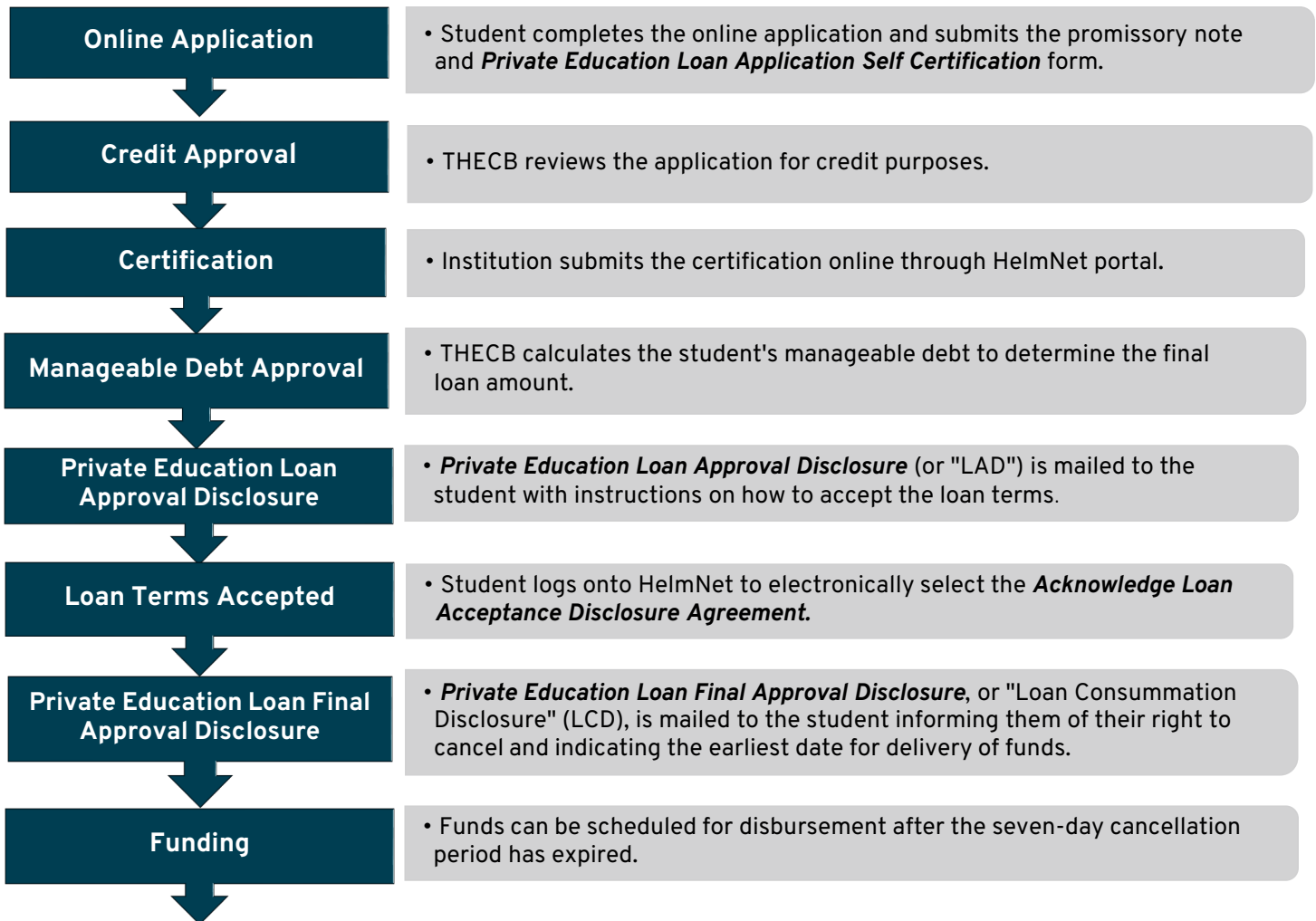
Institutions can certify eligible loans throughout the academic year on an as-needed basis. Funds will not be disbursed until the Loan Acceptance Disclosure (LAD) is signed by the borrower (and cosigner, when applicable).

Manageable Debt Calculation

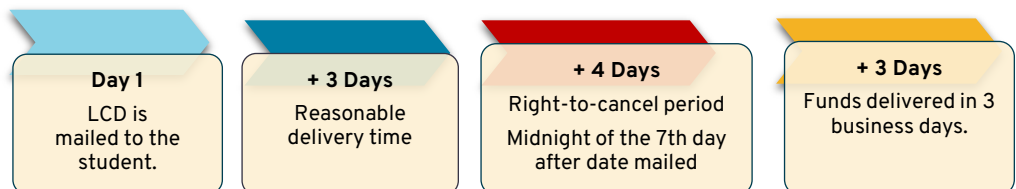
The THECB will calculate the final loan amount based on a student's "manageable debt" for the borrower's program of study. Depending on the calculation, the loan could be reduced or canceled by the THECB after the loan has been certified by an institution (see [TAC, Section 22.183\(a\)](#)). Modifications of any loan caused by the manageable debt calculation will be communicated to the borrower and institution.

Loan Process Flow

Below is the loan process flow that occurs when a student completes a FORWARD Loan application:



The earliest that funds can be disbursed is 11 business days after the LCD is mailed to the student.



A FORWARD Loan can **never** exceed the amount approved by the THECB. Institutions must confirm that the loan does not exceed the difference between the student’s COA and other forms of financial assistance for which the student is eligible. A loan can be increased up to the original THECB approved amount when:

- the student cancels all or part of the loan but later ends up needing the money during the loan period;
- the student becomes ineligible before the disbursement from the THECB and the institution cancels the loan, but the student later becomes eligible during the loan period; or
- the institution has already returned funds to the THECB during the loan period but needs all or part of the funds reissued.

The institution can make specific pre-disbursement (the period of a loan before the first payment is disbursed to an institution) changes through the HelmNet Portal (see [HelmNet Change Transactions Instruction Guide](#)). For changes that **cannot** be made through HelmNet, such as reinstatement, an [online Contact Us form](#) must be submitted.

Requesting Loan Changes

REQUIRED [CONTACT US](#) INQUIRY INFORMATION

Responses through *Contact Us* may take up to five business days to complete depending on the complexity of the request.

To ensure inquiries are routed correctly, the following steps must be completed:

- Select Institution.
- Enter the Institution’s Full Name.
- Select “Financial Aid Question” (regardless of the inquiry reason).

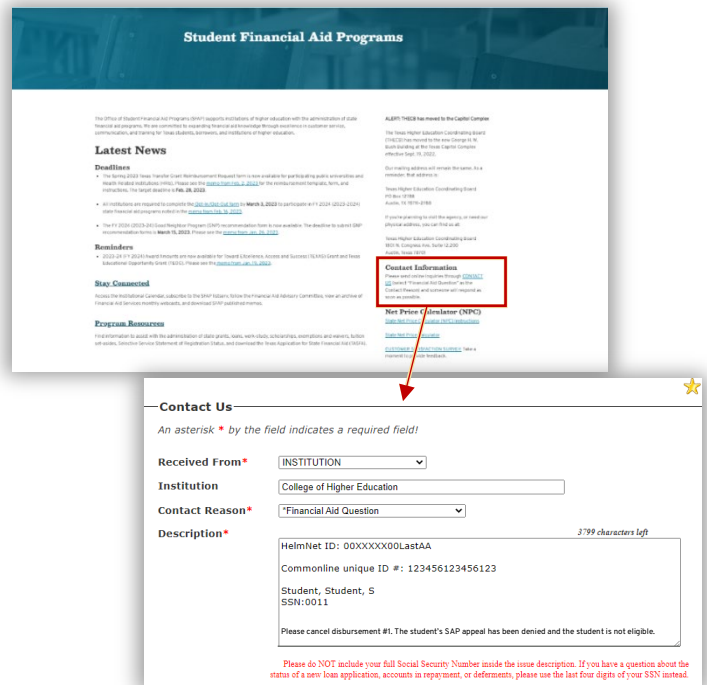
Enter the following information in the Description box:

- Requestor’s HelmNet portal ID (Username)
- CommonLine Unique ID #: (16 Characters)
- Student’s first name, last name, and middle initial
- Last four digits of the student’s Social Security number (SSN)

Note: For security purposes, do NOT provide the student’s full SSN when submitting online inquiries.

Provide a detailed explanation of the change needed:

- Unclear request: “Please cancel the loan.”
- Clear request: “Please cancel disbursement #1. The student’s SAP appeal has been denied and the student is not eligible.”



Reinstating Canceled Loans

Institutions can send a request in writing through the [Contact Us](#) link to reinstate a canceled loan or disbursement (select "Financial Aid Question" as the contact reason). Requests will be reviewed on a case-by-case basis. An [Institution Loan Verification of Enrollment](#) (VOE) form may be needed to process a reinstatement.

Common reasons why loans are canceled by the THECB include the following:

- Student did not approve the Loan Acceptance Disclosure (LAD) within 45 days of loan certification.
- Student was reported by the National Student Clearinghouse (NSC) database as enrolled less than half-time.
- Student contacted the THECB and canceled the loan without informing the institution.

Returning Program Funds

A [Return of Funds Form \(RFF\)](#) must be submitted before any funds are returned to the THECB.

Note: Institutions that submit an RFF should coordinate the refunds with their business office and use the [Electronic Funds Transfer](#) process. Funds returned to the THECB must align with the online form.

Timely Distribution of Funds ([TAC, Title 19, Section 22.2](#))

Institutions **must** follow these requirements when processing program funds:

- Institutions have **3** business days after receiving the funds to apply the funds to a student's account.
- Institutions have **6** business days after receiving the funds to return undisbursed funds.
- Institutions have **45** calendar days from the date a student becomes ineligible to return disbursed funds.
- Institutions have **120** calendar days to return funds after a student has notified the institution of a decision to cancel the award.

Repayment

The repayment period shall begin no earlier than six months after:

- (1) the date on which the student ceases to be enrolled at least half-time at an eligible institution, for borrowers enrolled in credential programs measured in semester credit hours; or
- (2) the anticipated graduation date certified by the institution of higher education for borrowers enrolled in programs that are not measured in semester credit hours.

The repayment period is up to 10 years ([TAC, Title 19, Section 22.186](#)).

The monthly repayment amount is determined and calculated annually by the Commissioner of Higher Education, and is based on:

- the borrower's income, as demonstrated through federal income tax returns or acceptable documentation;
- the borrower's monthly accrued interest on loans through the program; and
- the borrower's cumulative outstanding student loan principal balance.

Borrowers may be automatically placed in forbearance when the demonstrated income is below a threshold established by Texas Higher Education Coordinating Board staff in consultation with the Texas Workforce Commission.

Note: Borrowers who enroll in the automatic debit or Automatic Clearing House (ACH) payment service receive a 0.25% interest rate reduction on the interest rate of each applicable loan in repayment.

Annual Student Loan Debt Disclosure ([TAC, Title 19, Section 21.49](#))

All participating institutions must provide students with a letter, in an electronic format, estimating each student's total loan obligations, at least once a year. The purpose of this letter is to provide students with timely information on their education loan debt so they can make informed decisions about student loan borrowing.

Student loan debt disclosures must include:

- all education loan debt from the National Student Loan Data System (NSLDS), as well as information that the institution may *reasonably collect from its own records*;
- an estimate of the unpaid amount of federal education loans and state education loans obtained by the student at the current institution (loan types must be identified for each total included);
- *an estimate of the total payoff amount or a range for that amount, including principal and interest; and
- *an estimate of monthly repayment amount, including principal and interest.

*At a minimum, institutions shall provide this information based on a 10-year repayment plan.

Appendix 1: Quick References

Contact Information	
By phone: (844) 792-2640	
Contact us by completing an online inquiry form and select “Financial Aid Question” as the contact reason.	
PROGRAM RULES AND STATUTES	
Texas Program Statutes	Texas Education Code TEC, Title 3, Chapter 52, Subchapter C
Texas Program Rules	Texas Administrative Code TAC, Title 19, Chapter 22, Subchapter J
WEBSITES, PORTALS AND GUIDES	
General program information for institutions	Student Financial Aid Programs Information Webpage
General college enrollment and financial aid information for students	My Texas Future
General loan information for students	HHloans Website
Student loan and scholarship account information for institutions	HelmNet Login Portal
Secure file transfer and processing portal	MOVEit DMZ Portal MOVEit DMZ User Access Guide [PDF]
FORMS AND INSTRUCTIONS	
Form for adding, updating, or removing a user's access for state financial aid web portals	User Access Form [PDF]
Form for returning program funds	Loan Programs Online Return of Funds Form
Instructions for returning funds electronically	Electronic Funds Transfer Information [PDF]
Institution Loan Verification of Enrollment (VOE) Form	Institution Loan Verification of Enrollment Form [PDF]