

Higher Education Services Corporation, New York State

Mission

The Higher Education Services Corporation (HESC) provides centralized processing of student financial aid programs. HESC administers the State's Excelsior Scholarship, the Tuition Assistance Program (TAP), the Federal Family Education Loan Program and other State and Federal aid programs.

Organization and Staffing

HESC is governed by a Board of Trustees composed of 15 members. Ten members are appointed by the Governor and confirmed by the Senate, the remaining five members serve in an ex-officio capacity and consist of the SED Commissioner, SUNY Chancellor, CUNY Chancellor, SUNY Student Assembly President, and Chair of the CUNY Student Senate. Daily operations are managed by HESC's President and senior administrative staff.

Budget Highlights

The FY 2020 Executive Budget recommends \$1.2 billion in All Funds support for HESC and projects a workforce of 176 consistent with FY 2019 levels.

The FY 2020 appropriation level represents a \$28 million net decrease from the previous year reflecting estimated enrollment changes in various student financial aid programs.

In 2017, Governor Cuomo created the historic Excelsior Scholarship, a first-in-the-nation program that provides free tuition at New York's public colleges and universities for middle class families. In FY 2020, the Excelsior Scholarship will enter the third and final year of a three-year phase-in. For the 2019-20 academic year, the Excelsior Scholarship income eligibility threshold will increase, allowing New Yorkers with household incomes up to \$125,000 to be eligible. To continue this landmark program, the Budget includes \$119 million to support free tuition for an estimated 30,000 students. Along with other sources of tuition assistance, the Excelsior Scholarship and State tuition assistance programs will allow approximately 55 percent of full-time SUNY and CUNY in-state students, or more than 210,000 New York residents, to attend college tuition-free.

The Executive Budget includes legislation to implement the DREAM Act, opening the doors of higher education to thousands of New Yorkers. Since 2002, undocumented students qualify for in-state tuition at SUNY and CUNY if they graduated from a New York high school or received a GED in the state. Yet, each year, many talented students who graduate from New York high schools remain unable to fulfill their potential simply because they cannot afford the tuition and lack access to tuition assistance to help pay for school. The DREAM Act will give undocumented students access to the Excelsior Scholarship, the Tuition Assistance Program, as well as other state-administered scholarships.

The FY 2020 Executive Budget also continues funding for the Get On Your Feet Loan Forgiveness Program, which provides federal student loan relief to New York residents who graduate from college and continue to live in the State for the first two years out of school if their income is not high enough to cover their student debt burden without significant financial hardship.

For more information on this agency's budget recommendations located in the Executive Budget Briefing Book, click on the following link:

Program Highlights

Excelsior Scholarship

The first-of-its-kind program covers tuition at New York's public colleges and universities for families making up to \$125,000 a year. Along with other sources of tuition assistance, including the generous New York State Tuition Assistance Program, the Excelsior Scholarship will allow approximately 55 percent of full-time SUNY and CUNY in-state students, or more than 210,000 New York residents, to attend college tuition-free when fully phased in.

New York State Tuition Assistance Program (TAP)

TAP is one of the largest need-based grant programs in the nation, and the cornerstone of New York's student financial aid programs. In 2017-18, more than 337,500 New Yorkers attending college were awarded nearly \$924 million in TAP funds to help pay their college tuition costs – with an average annual award of \$3,317 per recipient.

Targeted Scholarship, Loan Forgiveness and Award Programs

NYS DOB | FY2020 Executive Budget | Agency Appropriations

During 2017-18, HESC-administered State scholarship and loan forgiveness programs provided tens of thousands of students with targeted awards towards their pursuit of a college education, with over \$69 million going to support the college costs of more than 37,000 students. The Get on Your Feet Loan Forgiveness Program provides Federal student loan relief to New York residents who graduate from college and continue to live in the state for the first two years out of school if their income is not high enough to cover their student debt burden without significant financial hardship.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available FY 2019	Appropriations Recommended FY 2020	Change From FY 2019	Reappropriations Recommended FY 2020
State Operations	61,742,000	60,993,000	(749,000)	6,809,000
Aid To Localities	1,185,945,000	1,159,073,000	(26,872,000)	15,536,000
Total	1,247,687,000	1,220,066,000	(27,621,000)	22,345,000

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Program	FY 2019 Estimated FTEs 03/31/19	FY 2020 Estimated FTEs 03/31/20	FTE Change
Administration			
Special Revenue Funds - Other	176	176	0
Total	176	176	0

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available FY 2019	Recommended FY 2020	Change
Special Revenue Funds - Federal	3,500,000	3,500,000	0
Special Revenue Funds - Other	58,242,000	57,493,000	(749,000)
Total	61,742,000	60,993,000	(749,000)

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available FY 2019	Recommended FY 2020	Change
Administration			
Special Revenue Funds - Other	58,242,000	57,493,000	(749,000)
Student Grant and Award Programs			
Special Revenue Funds - Federal	3,500,000	3,500,000	0
Total	61,742,000	60,993,000	(749,000)

NYS DOB | FY 2020 Executive Budget | Agency Appropriations
STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2020 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	57,493,000	(749,000)	13,282,000	(458,000)
Student Grant and Award Programs	3,500,000	0	0	0
Total	60,993,000	(749,000)	13,282,000	(458,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	44,211,000	(291,000)
Student Grant and Award Programs	3,500,000	0
Total	47,711,000	(291,000)

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available FY 2019	Recommended FY 2020	Change
General Fund	1,184,945,000	1,157,573,000	(27,372,000)
Special Revenue Funds - Other	1,000,000	1,500,000	500,000
Total	1,185,945,000	1,159,073,000	(26,872,000)

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2019	Recommended FY 2020	Change
Student Grant and Award Programs			
General Fund	1,184,945,000	1,157,573,000	(27,372,000)
Special Revenue Funds - Other	1,000,000	1,500,000	500,000
Total	1,185,945,000	1,159,073,000	(26,872,000)

Note: Most recent estimates as of 1/15/2019