

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 fifteen 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 State Education Department (SED) Commissioner, State University of New York (SUNY) Chancellor, City University of New York (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 2021 Executive Budget recommends \$1.2 billion in All Funds support for HESC and projects a workforce of 176 consistent with FY 2020 levels.

The FY 2021 appropriation level represents a \$65 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. To expand this transformational opportunity to more middle class families, Governor Cuomo is proposing to raise the Excelsior eligibility threshold from \$125,000 to \$150,000 of adjusted gross income for New York's families. In AY 2021, the Excelsior Scholarship income eligibility threshold will increase to \$135,000 and fully phase in to \$150,000 in AY 2022. By increasing this threshold, more than 230,000 New York residents will attend SUNY or CUNY tuition free. The Budget includes \$146 million to support this landmark program.

The FY 2021 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

To expand the Excelsior Scholarship to more middle class families, Governor Cuomo is proposing to raise the Excelsior eligibility threshold from \$125,000 to \$150,000 of adjusted gross income for New York's families. In AY 2021, the Excelsior Scholarship income eligibility threshold will increase to \$135,000 and fully phase in to \$150,000 in AY 2022. By increasing this threshold, more than 230,000 New York residents will attend SUNY or CUNY tuition free. The Budget includes \$146 million to support this landmark program.

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 2018-19, more than 319,000 New Yorkers attending college were awarded nearly \$882 million in TAP funds to help pay their college tuition costs – with an average annual award of \$3,312 per recipient.

Targeted Scholarship, Loan Forgiveness and Award Programs

During 2018-19, 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 \$171.4 million going to support the college costs of more than 60,900 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.

College Access and Outreach Programs

NYS DOB | FY2021 Executive Budget | Agency Appropriations

HESC is expanding outreach to New York State high schools for activities promoting a college-going culture, including New York’s financial aid awareness campaign to promote Free Application for Federal Student Aid (FAFSA) completion; and New York’s College Application Week, which seeks to provide every graduating high school senior the opportunity to apply to college. In 2018-19, the number of high schools and community groups participating in College Application Week grew to more than 10 percent, to 606, helping more than 32,000 high school seniors secure their direct path to college. In addition, HESC coordinated and/or participated in more than 425 events that provided more than 70,000 students and families with the tools and information necessary to access and pay for college.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available FY 2020	Appropriations Recommended FY 2021	Change From FY 2020	Reappropriations Recommended FY 2021
State Operations	60,993,000	55,936,000	(5,057,000)	4,500,000
Aid To Localities	1,159,073,000	1,099,536,000	(59,537,000)	15,913,000
Total	1,220,066,000	1,155,472,000	(64,594,000)	20,413,000

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

Program	FY 2020 Estimated FTEs 03/31/20	FY 2021 Estimated FTEs 03/31/21	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 2020	Recommended FY 2021	Change
General Fund	500,000	500,000	0
Special Revenue Funds - Federal	3,500,000	1,400,000	(2,100,000)
Special Revenue Funds - Other	56,993,000	54,036,000	(2,957,000)
Total	60,993,000	55,936,000	(5,057,000)

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

Program	Available FY 2020	Recommended FY 2021	Change
Administration			
General Fund	500,000	500,000	0
Special Revenue Funds - Other	56,993,000	54,036,000	(2,957,000)
Student Grant and Award Programs			
Special Revenue Funds - Federal	3,500,000	1,400,000	(2,100,000)

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Total	60,993,000	55,936,000	(5,057,000)
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**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	500,000	0	500,000	0
Total	500,000	0	500,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	54,036,000	(2,957,000)	11,100,000	(1,682,000)
Student Grant and Award Programs	1,400,000	(2,100,000)	0	0
Total	55,436,000	(5,057,000)	11,100,000	(1,682,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	42,936,000	(1,275,000)
Student Grant and Award Programs	1,400,000	(2,100,000)
Total	44,336,000	(3,375,000)

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

Fund Type	Available FY 2020	Recommended FY 2021	Change
General Fund	1,157,573,000	1,098,036,000	(59,537,000)
Special Revenue Funds - Other	1,500,000	1,500,000	0
Total	1,159,073,000	1,099,536,000	(59,537,000)

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

Program	Available FY 2020	Recommended FY 2021	Change
Student Grant and Award Programs			
General Fund	1,157,573,000	1,098,036,000	(59,537,000)
Special Revenue Funds - Other	1,500,000	1,500,000	0

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Total	1,159,073,000	1,099,536,000	(59,537,000)
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Note: Most recent estimates as of 01/29/2020