

2018-2019 ANNUAL REPORT



**OPENING THE DOORS
OF HIGHER EDUCATION**



**Higher Education
Services Corporation**

2018-2019 ANNUAL REPORT

Who We Are

The Higher Education Services Corporation (HESC) is New York State's higher education student financial aid agency.

HESC administers:

- New York's Tuition Assistance Program (TAP)
- Excelsior Scholarship
- 28 State scholarship and loan forgiveness programs
- Gaining Early Awareness and Readiness for Undergraduate Programs – NYGEAR UP
- New York's 529 College Savings Program, with the Office of the State Comptroller (OSC)
- Financial aid outreach programs for students and families

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Opening the Doors of Higher Education

New York State continues to demonstrate steadfast support for higher education programs and initiatives to ensure that all New Yorkers can access a postsecondary education. In all, New York invests \$7.7 billion annually on strategic programs that help our State's students access higher education. HESC's 28 grant, scholarship and loan forgiveness programs serve to benefit students and families by offsetting more than a billion dollars in college costs each year – opening the doors of higher education to hundreds of thousands of New Yorkers.

The New York State Tuition Assistance Program (TAP)

TAP remains among the nation's largest need-based college financial aid grant programs. In 2018-19, more than 319,000 New Yorkers attending college were awarded over \$881.5 million in tuition awards through TAP with an average annual award of \$3,312 per recipient.

The Excelsior Scholarship and Enhanced Tuition Awards Programs

In 2018-19, more than 210,000 New York State students enrolled at a SUNY or CUNY institution attended tuition free, thanks to the year-two implementation of the Excelsior Scholarship. The first-in-nation Excelsior Scholarship provides cost-free tuition at New York's two- and four-year public colleges and universities by covering any remaining gap between tuition and other eligible forms of financial aid. For 2018-19, the Excelsior Scholarship extended eligibility to families earning up to \$110,000. This year, more than 25,000 students attending one of New York's 84 public colleges and universities received Excelsior Scholarships, a 25 percent increase from the program's inaugural year.

Also in its second year, the Enhanced Tuition Awards (ETA) program provides tuition awards to students attending a participating private college located in New York State. ETA recipients receive \$6,000 annually to offset their tuition costs through a combination of their TAP award, ETA award and a match from their private college. In 2018-19, nearly 3,000 students received an ETA award.

Targeted Scholarship, Loan Forgiveness and Award Programs

During 2018-19, HESC-administered State scholarship and loan forgiveness programs provided nearly 60,900 students with approximately \$171.4 million in awards towards their pursuit of a college education, including awards to two cohorts of Excelsior Scholarship and Enhanced Tuition Awards recipients. Newly implemented programs, including the Part-Time Scholarship, the NYS Child Welfare Worker Incentive Scholarship and the Child Welfare Worker Loan Forgiveness programs, offered additional financial support for targeted New York State students and college graduates.



College Access and Outreach Programs

HESC continued to expand its outreach to encourage college access and preparedness among students at risk of not pursuing a college education.

in 2018-19, NYGEAR UP, now in the fifth of its seven-year program, provided services to increase the knowledge, skills and college readiness of 6,739 low-income students attending 77 high schools in the Bronx, Brooklyn, Buffalo, Hempstead, Mount Vernon, Queens, Rochester and Yonkers.

2018-19 successes include:

- Nearly 92 percent of NYGEAR UP 10th graders were promoted to the 11th grade, placing them on track to set graduation rate records at their high schools.
- Cohort high school attendance rate increased by 4 percent to 94 percent.
- Students toured 84 college campuses in New York, Massachusetts, Pennsylvania, Ohio, New Jersey, Maryland, Virginia and Washington, DC.
- Students participated in one-to-three week on-campus summer programs at Syracuse University, Ithaca College, The College of Saint Rose and Roberts Wesleyan, studying criminal justice, visual arts, filmmaking, theatre and journalism.
- NYGEAR UP student Channe'l Giddens of Rochester won the prestigious NCCEP Youth of the Year award at the NCCEP Youth Summit.
- One hundred NYGEAR UP students participated in the week-long 2018 NYGEAR UP Summer Leadership Academy at the Rochester Institute of Technology.

HESC again expanded outreach to New York State high schools for activities promoting a college-going culture, including New York's financial aid awareness campaign to promote FAFSA completion; and New York's College Application Week, which seeks to provide every graduating high school senior the opportunity to apply to college. This year, 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.

Access and Affordability

With most jobs of the future projected to require some level of college, it will continue to be those with degrees who will benefit the most from higher wages and other health and social benefits. Consequently, New York State's unwavering commitment to ensuring that its students have both access to a college education and an understanding of their financial aid options is more important than ever. HESC is proud to administer a variety of programs and services designed to educate and support the attainment of a postsecondary degree for all New York State students.

Table 1
Tuition Assistance Program Recipients and Expenditures

by Level of Study					
<u>Level of Study</u>	<u>Academic Year</u>				<u>Estimated</u>
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Annual Average Recipients (FTE)					
Undergraduate	300,100	290,028	276,424	277,890	266,194
Graduate	0	0	0	0	0
TOTAL	300,100	290,028	276,424	277,890	266,194
Percent Change from Prior Year	-0.7%	-3.4%	-4.7%	0.5%	-4.2%
Annual Expenditures (\$ thousands)					
Undergraduate	\$973,490	\$957,527	\$917,957	\$921,727	\$881,531
Graduate	0	0	0	0	0
TOTAL	\$973,490	\$957,527	\$917,957	\$921,727	\$881,531
Percent Change from Prior Year	4.1%	-1.6%	-4.1%	0.4%	-4.4%
Annual Expenditures Per Annual Average Recipient					
Undergraduate	\$3,244	\$3,301	\$3,321	\$3,317	\$3,312
Graduate	0	0	0	0	0
All	\$3,244	\$3,301	\$3,321	\$3,317	\$3,312
Percent Change from Prior Year	4.9%	1.8%	0.6%	-0.1%	-0.2%

The 2010-11 NYS Budget eliminated funding for graduate TAP.

Table 2
Tuition Assistance Program Recipients

by Level of Study and Type of Institution

<u>Level of Study/Type of Institution</u>	Academic Year				
	Annual Average Recipients (FTE)				
					<u>Estimated</u>
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Undergraduate					
City University					
Senior Colleges	50,465	52,364	52,725	56,441	56,790
Community Colleges	29,211	29,832	28,384	27,923	26,017
CUNY TOTAL	79,676	82,196	81,109	84,364	82,807
State University					
State Operated	65,051	63,933	62,298	66,928	67,416
Community Colleges	55,359	50,334	45,252	44,892	39,553
SUNY TOTAL	120,410	114,267	107,550	111,820	106,969
Independent Colleges	71,362	67,636	64,383	60,899	57,261
Proprietary Degree-Granting Institutions	21,418	18,436	15,895	13,258	11,937
Nondegree Business Schools	1,658	1,606	1,422	1,269	914
All Other Institutions	129	125	107	62	66
Chapter XXII TAP schools	5,447	5,762	5,958	6,218	6,240
UNDERGRADUATE TOTAL	300,100	290,028	276,424	277,890	266,194
Graduate					
City University	0	0	0	0	0
State University	0	0	0	0	0
Independent Colleges	0	0	0	0	0
GRADUATE TOTAL	0	0	0	0	0
GRAND TOTAL	300,100	290,028	276,424	277,890	266,194

The 2010-11 NYS Budget eliminated funding for graduate TAP.

Table 3
Tuition Assistance Program Expenditures

by Level of Study and Type of Institution

<u>Level of Study/Type of Institution</u>	<u>Academic Year (\$ thousands)</u>				<u>Estimated</u>
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Undergraduate					
City University					
Senior Colleges	\$197,205	\$203,368	\$203,199	\$215,510	\$215,079
Community Colleges	\$104,296	\$112,744	\$106,006	\$102,975	\$94,271
CUNY TOTAL	\$301,501	\$316,112	\$309,205	\$318,485	\$309,350
State University					
State Operated	\$198,285	\$196,434	\$192,544	\$203,326	\$201,083
Community Colleges	\$143,754	\$135,902	\$127,166	\$126,842	\$115,305
SUNY TOTAL	\$342,039	\$332,336	\$319,710	\$330,168	\$316,388
Independent Colleges	\$220,874	\$209,694	\$199,043	\$190,988	\$179,844
Proprietary Degree-Granting Institutions	\$77,554	\$66,732	\$57,345	\$49,150	\$44,223
Nondegree Business Schools	\$5,781	\$5,660	\$4,977	\$4,475	\$3,182
All Other Institutions	\$331	\$307	\$287	\$157	\$193
Chapter XXII TAP schools	\$25,410	\$26,686	\$27,390	\$28,304	\$28,351
UNDERGRADUATE TOTAL	\$973,490	\$957,527	\$917,957	\$921,727	\$881,531
Graduate					
City University	\$0	\$0	\$0	\$0	\$0
State University	\$0	\$0	\$0	\$0	\$0
Independent Colleges	\$0	\$0	\$0	\$0	\$0
GRADUATE TOTAL	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL	\$973,490	\$957,527	\$917,957	\$921,727	\$881,531

The 2010-11 NYS Budget eliminated funding for graduate TAP.

Table 4
Tuition Assistance Program Recipients

by Dependency Status and Sector *						
<u>Sector</u>	<u>Academic Year</u>				<u>Estimated</u>	
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	
					Number	% of Total
<u>Independent Students</u>						
CUNY	19,888	19,631	18,422	18,187	17,059	5.3%
SUNY	26,303	22,793	19,781	18,713	16,798	5.3%
Independent	12,486	11,165	7,336	8,363	7,393	2.3%
Proprietary Degree-Granting Institutions	12,973	11,098	9,312	7,731	6,873	2.1%
Nondegree Business Schools	1,508	1,430	1,296	1,122	855	0.3%
All Other Institutions	98	85	81	48	57	0.0%
Chapter XXII TAP schools	937	941	957	832	717	0.3%
SUBTOTAL	74,193	67,143	57,185	54,996	49,752	15.6%
(as % of total)	20.1%	18.9%	17.1%	16.3%	15.6%	
<u>Dependent Students</u>						
CUNY	86,747	89,751	87,531	91,777	88,811	27.8%
SUNY	120,660	116,481	111,131	116,942	111,468	34.9%
Independent	67,984	64,911	62,466	59,781	56,363	17.6%
Proprietary Degree-Granting Institutions	14,131	11,982	10,083	8,435	7,619	2.4%
Nondegree Business Schools	347	347	328	257	149	0.5%
All Other Institutions	79	86	78	52	41	0.0%
Chapter XXII TAP schools	4,790	5,053	5,108	5,569	5,552	1.6%
SUBTOTAL	294,738	288,611	276,725	282,813	270,003	84.4%
(as % of total)	79.9%	81.1%	82.9%	83.7%	84.4%	
<u>All Students</u>						
CUNY	106,635	109,382	105,953	109,964	105,870	33.1%
SUNY	146,963	139,274	130,912	135,655	128,266	40.1%
Independent	80,470	76,076	69,802	68,144	63,756	19.9%
Proprietary Degree-Granting Institutions	27,104	23,080	19,395	16,166	14,492	4.5%
Nondegree Business Schools	1,855	1,777	1,624	1,379	1,004	0.3%
All Other Institutions	177	171	159	100	98	0.0%
Chapter XXII TAP schools	5,727	5,994	6,065	6,401	6,269	1.9%
TOTAL	368,931	355,754	333,910	337,809	319,755	100.0%

* Recipients are those who received at least one term award.

Table 5
Aid for Part-Time Study (APTS) Program Recipients

By Type of Institution					
	Academic Year				
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
CUNY 4-Year	4,065	4,346	3,814	3,327	3,217
CUNY 2-Year	3,772	3,975	2,459	1,722	1,191
CUNY TOTAL	7,837	8,321	6,273	5,049	4,408
SUNY 4-Year	939	915	897	958	795
SUNY 2-Year	4,421	4,277	4,172	4,040	3,680
SUNY TOTAL	5,360	5,192	5,069	4,998	4,475
Independent Colleges	1,459	1,280	1,158	1,002	736
Degree Proprietary	402	390	356	201	193
GRAND TOTAL	15,058	15,183	12,856	11,250	9,812

Table 6
Aid for Part-Time Study (APTS)
Actual Expenditures for Reimbursement of Awards

By Type of Institution					
	Academic Year (\$ thousands)				
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
CUNY 4-Year	\$2,494.1	\$2,339.7	\$2,823.3	\$2,169.2	\$2,285.3
CUNY 2-Year	\$2,303.2	\$2,318.6	\$1,848.8	\$1,245.9	\$870.8
CUNY TOTAL	\$4,797.3	\$4,658.3	\$4,672.1	\$3,415.1	\$3,156.1
SUNY 4-Year	\$1,083.4	\$1,066.3	\$1,061.4	\$1,160.0	\$1,019.0
SUNY 2-Year	\$4,310.7	\$4,055.6	\$4,045.1	\$4,066.7	\$3,823.6
SUNY TOTAL	\$5,394.1	\$5,121.9	\$5,106.5	\$5,226.7	\$4,842.6
Independent Colleges	\$1,456.6	\$1,217.3	\$1,130.7	\$993.3	\$701.0
Degree Proprietary	\$299.1	\$302.7	\$300.0	\$169.0	\$175.1
GRAND TOTAL	\$11,947.1	\$11,300.2	\$11,209.3	\$9,804.1	\$8,874.8

Table 7
Number of Scholarships and Awards

	Academic Year				
	2014-15	2015-16	2016-17	2017-18	<u>Estimated</u> 2018-19
<u>Scholarships</u>					
NYS Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers	51	48	43	42	41
NYS World Trade Center Memorial Scholarship	773	805	830	868	909
NYS Scholarships for Academic Excellence	15,116	14,625	14,466	13,737	12,954
Military Service Recognition Scholarship	82	93	98	113	134
Senator Patricia K. McGee Nursing Faculty Scholarship	103	127	122	105	92 ²
American Airlines Flight 587 Memorial Scholarship	23	20	18	13	5
Flight 3407 Memorial Scholarship	6	5	4	1	3
NYS Math & Science Teaching Incentive Scholarship	76	64	77	91	77
NYS Science, Technology, Engineering and Mathematics (STEM) Incentive Program	550	1,177	1,789	2,201	2,320
New York State Young Farmers Loan Forgiveness Incentive Program	10	15	15	14	11
NYS Achievement and Investment in Merit Scholarship (NY-AIMS)	0	1,601	2,186	2,023	1,670
NYS Get on Your Feet Loan Forgiveness Program	0	644	1,855	2,209	1,925
NY Masters-in-Education Teacher Incentive Scholarship Program	0	0	63	66	63
Enhanced Tuition Awards	0	0	0	2,057	2,744
NYS Part-Time Scholarship Award Program	0	0	0	307	390
Excelsior Scholarship	0	0	0	20,460	25,100
NYS Child Welfare Worker Loan Forgiveness Incentive Program	0	0	0	5	5
NYS Child Welfare Worker Incentive Scholarship Program	0	0	0	3	3
New York State Teacher Loan Forgiveness Program	0	0	0	45	49
SUBTOTAL	16,790	19,224	21,566	44,360	48,495
<u>Awards</u>					
NYS Aid for Part-Time Study	15,058	15,183	12,856	11,250	9,812
NYS Regents Awards for Children of Deceased and Disabled Veterans	434	476	422	441	477
Regents Physician Loan Forgiveness Program	92	105	103	121	128 ¹
Veterans Tuition Awards	1,410	1,231	992	786	738
Loan Forgiveness for Nursing Faculty	87	95	117	138	154 ³
Loan Forgiveness for Licensed Social Workers	184	238	270	272	267
Loan Forgiveness for District Attorneys	822	775	759	775	818
John R. Justice Student Loan Repayment Program *	57	46	30	14	0
SUBTOTAL	18,144	18,149	15,549	13,797	12,394
TOTAL	34,934	37,373	37,115	58,157	60,889

* The John R. Justice Repayment Program is 100% federally funded.

(1) The 2011-12 NYS Budget authorized payment for the 2009-10 and 2011-12 Loan Forgiveness awards and allowed other programs to sunset. No new awards were authorized for 2010-11.

(2) The 2011-12 Budget authorized payment for the 2010-11 and 2011-12 academic years.

(3) The 2011-12 Budget authorized payment for the 2011-12. Funding was suspended for 2010-11.

Table 8
Amount of Scholarships and Awards

	Academic Year (\$ thousands)				
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>Estimated</u> <u>2018-19</u>
<u>Scholarships</u>					
NYS Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers	\$837	\$787	\$715	\$789	\$735
NYS World Trade Center Memorial Scholarship	12,450	13,377	14,384	15,788	16,913
NYS Scholarships for Academic Excellence	10,489	10,079	9,919	9,410	8,880
Military Service Recognition Scholarship	1,123	1,300	1,446	1,885	2,131
Senator Patricia K. McGee Nursing Faculty Scholarship	1,617	1,869	1,953	1,511	1,474 ²
American Airlines Flight 587 Memorial Scholarship	308	280	248	190	82
Flight 3407 Memorial Scholarship	82	85	60	15	59
NYS Math & Science Teaching Incentive Scholarship	449	412	447	565	522
NYS Science, Technology, Engineering and Mathematics (STEM) Incentive Program	2,791	6,443	10,038	12,754	13,878
New York State Young Farmers Loan Forgiveness Incentive Program	100	123	136	99	101
NYS Achievement and Investment in Merit Scholarship (NY-AIMS)	0	790	1,068	968	766
NYS Get on Your Feet Loan Forgiveness Program	0	236	1,683	2,503	2,080
NY Masters-in-Education Teacher Incentive Scholarship Program	0	0	586	532	585
Enhanced Tuition Awards	0	0	0	2,996	4,398
NYS Part-Time Scholarship Award Program	0	0	0	541	815
Excelsior Scholarship	0	0	0	69,097	98,936
NYS Child Welfare Worker Loan Forgiveness Incentive Program	0	0	0	50	50
NYS Child Welfare Worker Incentive Scholarship Program	0	0	0	50	50
New York State Teacher Loan Forgiveness Program	0	0	0	225	239
SUBTOTAL	\$30,246	\$35,781	\$42,683	\$119,968	\$152,694
<u>Awards</u>					
NYS Aid for Part-Time Study	\$11,947	\$11,300	\$11,209	\$9,804	\$8,875
NYS Regents Awards for Children of Deceased and Disabled Veterans	172	187	166	177	190
Regents Physician Loan Forgiveness Program	920	1,044	1,028	1,206	1,270 ¹
Veterans Tuition Awards	4,727	4,154	3,441	2,568	2,726
Loan Forgiveness for Nursing Faculty	670	715	918	1,039	1,201 ³
Loan Forgiveness for Licensed Social Workers	1,148	1,484	1,708	1,708	1,684
Loan Forgiveness for District Attorneys	2,790	2,628	2,580	2,634	2,774
John R. Justice Student Loan Repayment Program *	38	45	62	46	0 ⁴
SUBTOTAL	\$22,412	\$21,557	\$21,112	\$19,182	\$18,720
TOTAL	\$52,658	\$57,338	\$63,795	\$139,150	\$171,414

* The John R. Justice Repayment Program is 100% federally funded.

(1) The 2011-12 NYS Budget authorized payment for the 2009-10 and 2011-12 Loan Forgiveness awards and allowed other programs to sunset. No new awards were authorized for 2010-11.

(2) The 2011-12 Budget authorized payment for the 2010-11 and 2011-12 academic years.

(3) The 2011-12 Budget authorized payment for the 2011-12. Funding was suspended for 2010-11.

(4) Program suspended, waiting availability of Federal Funding.

Table 9
New York's 529 College Savings Program

<u>Calendar Year*</u>	<u>Account Volume</u>	<u>Number of Accounts</u>	<u>Average Balance</u>
2012	\$13,782,064,677	683,974	17,673
2013	\$17,651,664,734	720,463	24,500
2014	\$20,170,938,266	787,065	25,628
2015	\$20,137,457,001	839,932	23,975
2016	\$23,101,957,964	874,212	26,426
2017	\$26,689,282,432	977,979	27,290
2018	\$30,035,172,256	1,040,802	28,858
2019	\$32,518,571,142	1,098,491	29,603

* Amounts represent year-end figures as of Dec. 31st of each year, except 2017, 2018 and 2019 amounts which are as of September 30th of each year.

New York's 529 College Savings Program includes two separate 529 plans with Program Manager, Ascensus College Savings: the *Direct Plan*, with investment management and offerings through the Vanguard Group; and, the *Advisor Plan*, with investment management from JP Morgan and offerings through JP Morgan and SSgA.

With its federal and state tax advantages and flexibility, New York's 529 College Savings Program, one of the best nationwide, is helping to make higher education possible for future college students.

Table 10
New York's 529 College Savings Program

Qualified Withdrawals	
<u>Calendar Year*</u>	
2002	\$40,496,459
2003	\$58,463,731
2004	\$116,378,842
2005	\$195,081,357
2006	\$296,203,396
2007	\$421,376,627
2008	\$548,677,182
2009	\$619,269,201
2010	\$701,623,695
2011	\$740,239,229
2012	\$868,977,033
2013	\$1,012,103,728
2014	\$1,167,339,634
2015	\$1,106,061,693
2016	\$871,498,345
2017	\$1,919,395,067
2018	\$1,390,384,124
2019	\$1,184,070,083
Total	\$13,257,639,427

* 2002 through 2016 are year-end figures; amounts for 2017, 2018 and 2019 are as of September 30th.

Withdrawals reported prior to May 2012 are Direct Plan only; withdrawals from May 2012 through current include both Direct and Advisor plans.

Table 11
Loans, Grants and Scholarships Administered by HESC

	Academic Year (\$ thousands)				
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	2018-19
<u>Grants and Scholarships</u>					
Tuition Assistance	\$973,490	\$957,527	\$917,957	\$921,727	\$881,531
Other Grants and Scholarships	52,658	57,338	63,795	139,150	171,414
TOTAL	\$1,026,148	\$1,014,865	\$981,752	\$1,060,877	\$1,052,945
Percent Change from Prior Year	4.2%	-1.1%	-3.4%	7.5%	-0.8%

Table 12
EFT Escrow Service

	State Fiscal Year (\$ thousands)									
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019	
	Number of Transactions	Dollar Amount	Number of Transactions	Dollar Amount	Number of Transactions	Dollar Amount	Number of Transactions	Dollar Amount	Number of Transactions	Dollar Amount
Subsidized Federal Stafford Loans	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Percent Change From Prior Year	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Unsubsidized Federal Stafford Loans	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Percent Change From Prior Year	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Federal Plus Loans	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Percent Change From Prior Year	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NYS 529 College Savings Program	2,302	\$16,942	2,275	\$17,522	1,980	\$16,201	1,999	\$19,908	2,025	\$17,442
Percent Change From Prior Year	-49%	-47%	-1%	3%	-13%	-8%	1%	23%	1%	-12%
Alternative Loans	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Percent Change From Prior Year	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Non-HESC Guaranteed Loans	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Percent Change From Prior Year	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	2,302	\$16,942	2,275	\$17,522	1,980	\$16,201	1,999	\$19,908	2,025	\$17,442

Table 13
Defaulted Purchases and Collections Activities

	State Fiscal Year (\$ thousands)				
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Defaulted Loans Purchased	\$389,133	\$330,832	\$360,733	\$332,815	\$310,824
Outstanding Balance of Defaulted Loans	\$2,008,073	\$1,803,329	\$1,618,761	\$1,466,961	\$1,345,298
Regular Collections*	\$110,276	\$97,722	\$85,070	\$75,466	\$66,205
Amount Consolidated*	\$127,935	\$110,617	\$99,740	\$96,564	\$100,990
Amount Rehabilitated*	\$196,708	\$218,175	\$248,222	\$193,189	\$163,172
Total Recoveries	\$434,919	\$426,514	\$433,032	\$365,219	\$330,367

* The Collection, Consolidated and Rehabilitated amounts include principal, interest and collection fees.

	Collection Revenues				
Revenue Collections	\$17,695	\$15,680	\$13,643	\$12,098	\$10,548
Revenue Consolidated	\$10,709	\$9,372	\$8,435	\$8,160	\$8,530
Revenue Rehabilitated	\$43,883	\$45,041	\$48,143	\$37,777	\$33,478
Total Collection Related Revenue	\$72,287	\$70,093	\$70,221	\$58,035	\$52,556

Table 14
Guaranteed Student Loans Outstanding

State Fiscal Year	Amount Outstanding (\$ thousand)	Number of Borrowers	Number of Loans	Change from Prior Year	
				Amount (\$ thousands)	Percent
2014-15	\$12,120,959	928,589	1,377,151	(\$1,422,084)	-10.5%
2015-16	\$10,840,946	828,268	1,209,042	(\$1,280,013)	-10.6%
2016-17	\$9,662,594	726,449	1,053,875	(\$1,178,352)	-10.9%
2017-18	\$8,561,811	625,263	900,691	(\$1,100,783)	-11.4%
2018-19	\$7,591,153	524,147	756,137	(\$970,658)	-11.3%

Table 15
Default Cohort and Trigger Rates

	Federal Fiscal Year Ended September 30				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
HESC's Cohort Default 2 Year Rate *	*	*	*	*	*
HESC's Cohort Default 3 Year Rate ***	6.6%	5.2%	3.1%	N/A	N/A
National Default Cohort 2 Year Rate *	*	*	*	*	*
National Default Cohort 3 Year Rate ***	11.5%	10.8%	10.1	N/A	N/A
HESC's Default Trigger Rate **	1.52%	0.93%	0.62%	0.78%	0.97%

* The 2 Year Cohort Default Rate is the percentage of student borrowers who enter into repayment in a given federal fiscal year (denominator) and number of students who default within the same or the next federal fiscal year (numerator). Discontinued after 2011.

** Default claim losses (default claim purchases) are measured as a percentage of prior years' loans in repayment as calculated by the Department of Education (ED). A guarantee agency's percentage in excess of 5 percent, as established by ED, would "trigger" a reduction in the reinsurance rate paid to guarantee agencies for the reimbursement of default claim losses. If default claim losses exceed 9 percent, an additional reduction in reinsurance is triggered.

*** The 3 Year Cohort Default Rate is the only rate to be used by the Department of Education in evaluating schools, lenders and guaranty agencies. Beginning in 2009 thru 2011 the Department of Education issued a 2 year and a 3 year rate. The 3 Year Cohort Default Rate is the percentage of student borrowers who entered into repayment in a given federal fiscal year (denominator) and the number of students who default within the same or the next two federal fiscal years (numerator). This extends the length of time in which a student can default from two to three years. The rates for 2017 will not be available until September 2020.

Table 16
Applications Received and Processed

	For Each Academic Year				
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>Estimated 2018-19</u>
GRANT AND SCHOLARSHIP TOTAL	640,611	618,122	583,212	596,059	567,664
Percent Change from Prior Year	1.7%	-3.5%	-5.6%	2.2%	-4.8%

Financial Aid Programs for New York State Students

Grants and Scholarships

Name of Program	Description of Program	2018-19 Accomplishments
Tuition Assistance Program (TAP)	The New York State Tuition Assistance Program (TAP) helps eligible New York residents pay tuition at approved schools in New York State. Depending on the academic year in which you begin study, an annual TAP award can be up to \$5,165. Because TAP is a grant, it does not have to be paid back.	Provided \$881 million in grants to more than 266,000 students.
NYS Aid for Part-Time Study (APTS)	Awards provide up to \$2,000 per year for part-time undergraduate study at participating institutions in New York State. An APTS award cannot exceed tuition charges.	Provided more than \$8 million in aid to 9,812 students.
NYS Scholarships for Academic Excellence	Up to 2,000 scholarships of \$1,500 are awarded each year to the top graduating scholar at each registered high school in New York State, and up to 6,000 scholarships of \$500 are also awarded to other outstanding students.	Awarded more than \$8 million in scholarships to 12,954 students.
NYS Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers	Provides up to the cost of SUNY educational expenses for children, spouses and financial dependents of deceased firefighters, volunteer firefighters, police officers, peace officers and emergency medical service workers who have died as the result of an injury sustained in the line of duty.	Awarded \$735,000 in scholarships to 41 students.
NYS Regents Awards for Children of Deceased and Disabled Veterans	Provides \$450/year to children of veterans who are deceased, at least 40 percent disabled, missing in action, or were a prisoner of war.	Awarded \$190,000 to 447 students.
Veterans Tuition Awards	Provides up to the cost of SUNY tuition to Vietnam, Persian Gulf, or Afghanistan veterans in college or in an approved vocational training program in New York State.	Awarded more than \$2.7 million to 738 students.

Financial Aid Programs for New York State Students

Grants and Scholarships (Cont'd.)

Name of Program	Description of Program	2018-19 Accomplishments
NYS World Trade Center Memorial Scholarship	Provides up to the cost of SUNY educational expenses for children, spouses and financial dependents of those killed or seriously disabled in the September 11, 2001 terrorist attacks.	Awarded more than \$16 million to 909 students.
Military Enhanced Recognition Incentive and Tribute (MERIT) Scholarships, also known as Military Service Recognition Scholarship	Provides up to the cost of SUNY educational expenses for children, spouses and financial dependents of members of the armed forces of the United States or state organized militia who, at any time on or after August 2, 1990, while New York State residents, died or became severely and permanently disabled while performing their military duties, whether in combat or not.	Awarded \$2 million in scholarships to 134 students.
Senator Patricia K. McGee Nursing Faculty Scholarship	This competitive award is made to licensed nurses who study to become nursing faculty and agree to serve as a teacher in a facility in New York State. Payments are available for up to three years of study. Recipients must complete their master's program within three years of receiving this scholarship.	Awarded more than \$1.4 million in scholarships to 92 students.
Flight 587 Memorial Scholarship	Provides up to the cost of SUNY educational expenses for families and financial dependents of victims of the crash of American Airlines Flight 587 on November 12, 2001.	Awarded \$82,000 in scholarships to 5 students.
Flight 3407 Memorial Scholarship	Flight 3407 Memorial Scholarships provide financial aid to children, spouses and financial dependents of individuals killed as a direct result of the crash of Continental Airlines Flight 3407 on February 12, 2009.	Awarded \$59,000 in scholarships to 3 students.
NYS Math & Science Teaching Incentive Scholarship	The NYS Math & Science Teaching Incentive scholarship provides grants to eligible full-time undergraduate or graduate students in approved programs that lead to math or science teaching careers in secondary education.	Awarded \$522,000 in scholarships to 77 students.

Financial Aid Programs for New York State Students

Grants and Scholarships (Cont'd.)

Name of Program	Description of Program	2018-19 Accomplishments
NYS Science, Technology, Engineering and Mathematics (STEM) Incentive Program	The NYS STEM Incentive Program provides tuition awards to students who are New York State residents attending a public or private degree-granting college or university located in New York State. Recipients must be in the top 10 percent of students of their high school graduating class, pursue an approved, two or four-year STEM degree program and agree to live in NYS and work in a STEM field in NYS for five years after graduation.	Awarded more than \$13 million to 2,320 students.
NYS Achievement and Investment in Merit Scholarship (NY-AIMS)	The NYS Achievement and Investment in Merit Scholarship (NY-AIMS) provides merit-based scholarships to NYS high school graduates who achieved academic excellence as a high school student, and enroll or plan to enroll in a public or private NYS college immediately after high school.	Awarded \$766,000 in scholarships to 1,670 students.
NYS Masters-in-Education Teacher Incentive Scholarship Program	The NYS Masters-in-Education Teacher Incentive Scholarship Program provides eligible students with a full-tuition scholarship for a master's degree at a State University of New York (SUNY) or City University of New York (CUNY) college or university.	Awarded \$585,000 in scholarships to 63 students.

Financial Aid Programs for New York State Students

Grants and Scholarships (Cont'd.)

Name of Program	Description of Program	2017-18 Accomplishments
Excelsior Scholarship	The Excelsior Scholarship, in combination with other student financial aid programs, allows students to attend a SUNY or CUNY college tuition-free.	Awarded more than \$98 million to 25,100 students.
Enhanced Tuition Awards	The Enhanced Tuition Awards (ETA) program provides tuition awards to students who are NYS residents attending a participating private college located in NYS. Recipients will receive \$6,000 through a combination of their TAP award, ETA award and a match from their private college.	Awarded more than \$4.3 million to 2,744 students.
NYS Part-Time Scholarship Award Program	The New York State Part-time Scholarship (PTS) Award Program provides tuition awards to students attending a SUNY or CUNY community college who are enrolled in at least 6 but less than 12 credits each term.	Awarded more than \$815,000 to 390 students.
NYS Child Welfare Worker Incentive Scholarship Program	The NYS Child Welfare Worker Incentive Scholarship Program grants awards for child welfare workers employed at voluntary not-for-profit child welfare agencies licensed by the NYS Office of Children and Family Services (OCFS). Recipients must agree to live in NYS and work at a voluntary not-for-profit child welfare agency licensed by OCFS for 5 years after graduation, and can use the award to get an associate's, bachelor's or graduate degree for not more than 2 years, 4 years, and 2 years, respectively.	Awarded more than \$50,000 to 3 students.

Financial Aid Programs for New York State Students

Loan Forgiveness Scholarships Programs

Name of Program	Description of Program	2018-19 Accomplishments
Regents Physician Loan Forgiveness Program	Provides payment of loans for physicians who practice medicine in shortage areas of New York State.	Forgave more than \$1.2 million in loans for 128 physicians.
Nursing Faculty Loan Forgiveness Incentive Program	The maximum lifetime award under this program is the lesser of \$40,000, paid in the amount of \$8,000 for each annual period of qualified service completed, or the applicant's actual eligible student loan amount at the time their eligibility is established, whichever is less.	Paid more than \$1.2 million to 154 licensed registered nurses.
NYS Licensed Social Worker Loan Forgiveness Program	The maximum award under this Program is \$26,000 or the applicant's actual eligible student loan indebtedness, whichever is less. Awards will be paid in the amount of \$6,500 for each annual period of qualified service completed or the remaining loan indebtedness. If the qualified service for the first or last year of the Program is less than 12 months, those disbursements will be prorated based on the number of months worked.	Paid more than \$1.6 million to 267 licensed social workers.
District Attorney Loan Forgiveness Program	District Attorney Loan Forgiveness awards are offered to retain experienced attorneys employed in district attorney offices throughout New York State. Awards will be paid in disbursements up to \$3,400 per year. The maximum lifetime total award an eligible attorney may receive under this program is \$20,400 or the cumulative total of their eligible student loan expenses at the time they first apply, whichever is less.	Paid more than \$2.7 million to 818 eligible district attorneys.

Financial Aid Programs for New York State Students

Loan Forgiveness Scholarships Programs (Cont'd.)

Name of Program	Description of Program	2018-19 Accomplishments
New York State Young Farmers Loan Forgiveness Incentive Program	The NYS Young Farmers Loan Forgiveness Incentive Program is offered to encourage recent college graduates to pursue careers in farming in NYS. This program provides loan forgiveness awards to individuals who obtain an undergraduate degree from an approved NYS college or university and agree to operate a farm in NYS, on a full-time basis, for five years.	Awarded \$101,000 to 11 students.
New York State Get on Your Feet Loan Forgiveness Program	The NYS Get on Your Feet Loan Forgiveness Program provides up to 24 months of federal student loan debt relief to recent NYS college graduates who are participating in a federal income-driven repayment plan whose payments are generally capped at 10 percent of their discretionary income.	Awarded more than \$2 million to 1,925 students.
NYS Child Welfare Worker Loan Forgiveness Incentive Program	The New York State Child Welfare Worker Loan Forgiveness Program provides student loan forgiveness awards for the purpose of attracting workers to be employed in NYS child welfare agencies. Recipients can receive awards up to \$10,000 per year for up to 5 years, not to exceed the total amount of the recipient's student loan debt.	Awarded \$50,000 to 5 students.
New York State Teacher Loan Forgiveness Program	The NYS Teacher Loan Forgiveness Program is offered to increase the number of teachers serving in NYS. It provides loan forgiveness awards to teachers serving in high need school districts or subject areas for which a shortage of teachers exists.	Awarded \$239,000 to 49 students.

Financial Aid Programs for New York State Students

Loan-Related Programs

Name of Program	Description of Program	2018-19 Accomplishments
Default Aversion Assistance Request (DAAR)	Lenders ask HESC to help resolve problems when borrowers have difficulty making their payments.	Received and resolved more than 150,000 DAARs for more than \$1.5 billion.
Rehabilitation Loan Program	Allows borrowers who have made nine consecutive payments to have their loans removed from default.	Rehabilitated more than \$164 million in loans for more than 5,600 borrowers.
Renewed Eligibility for Title IV Aid	Allows borrowers who have made six consecutive, voluntary payments to become eligible for additional aid. Payments must be made every month, even if borrower returns to school full-time, to maintain eligibility.	Renewed aid eligibility for 212 borrowers.
SmartCheck	Allows borrowers with defaulted loans to have their payments deducted from their bank accounts.	More than \$10 million received from borrowers who took advantage of this repayment method.

Financial Aid Programs for New York State Students

Pre-College Services

Name of Program	Description of Program	2018-19 Accomplishments
New York's 529 College Savings Program	Tax-advantaged savings program to help parents save for college expenses.	More than 1,098,000 accounts with a total value of more than \$32 billion have been established through the program's 21st year. More than \$13 billion has been disbursed.