



Higher Education
Services Corporation

2017-2018 ANNUAL REPORT



LEADING THE WAY TO COLLEGE AFFORDABILITY

2017-2018 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
- 27 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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Leading the Way to College Affordability

Education is the cornerstone to success, and a college education paves the way for a strong and skilled workforce. Through 27 HESC-administered grant, scholarship and loan forgiveness programs, New York State provides the financial backing to help equip postsecondary school students with the skills necessary for future success, and confidently places them and our great State on a path to a more vibrant future.

The New York State Tuition Assistance Program (TAP)

TAP remains among the largest need-based grant programs in the nation. 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.

The Excelsior Scholarship and Enhanced Tuition Awards Programs

Nearly 53 percent of New York State's full-time public college students attended college tuition-free in 2017-18 thanks to the addition of the Excelsior Scholarship. The Excelsior Scholarship, a first-in-the-nation program, 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. The Excelsior Scholarship Program was opened to families with household incomes up to \$100,00 in 2017-18, increasing to \$110,000 in 2018-19, and \$125,000 in 2019-20 and beyond.

The Enhanced Tuition Awards (ETA) program provides tuition awards to students who are New York State residents attending a participating private college located in New York State. Enacted and implemented in 2017-18, the program annually awards recipients \$6,000 to offset their tuition costs through a combination of their TAP award, ETA award and a match from their private college.

Targeted Scholarship, Loan Forgiveness and Award Programs

During 2017-18, HESC-administered State scholarship and loan forgiveness programs provided nearly 60,000 students with approximately \$136 million in targeted awards towards their pursuit of a college education, including awards to the first Excelsior Scholarship and Enhanced Tuition Awards recipients.



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.

NYGEAR UP, now in the fourth of its seven-year program, provided services to increase the knowledge, skills and goals of 6,748 low-income students attending 77 high schools in the Bronx, Brooklyn, Queens, Hempstead, Yonkers, Mount Vernon, Buffalo and Rochester.

Successes include:

- 100 percent of NYGEAR UP 8th graders promoted to the 9th grade, and 90 percent of 9th graders promoted to the 10th grade.
- 79 percent of advanced math students and 67 percent of chemistry students received passing grades.
- 10 percent improvement on Regents math scores and 12 percent improvement on Regents sciences scores as a result of tutoring offered through all sub-grantees.
- 14 percent increase in parent participation, with 80 percent of parents reporting having been exposed to information about high school graduation requirements, an increase of 23 percent over the previous year, and parents reporting a positive impact on their children's academic focus.
- 433 educators participated in GEAR UP professional development, nearly three times as many as in the previous year.

During the year, NYGEAR UP supported 57 college campus visits for students to expose them to college life and introduce them to successful college students with similar backgrounds and challenges. NYGEAR UP students participated in intensive summer programs and Residential Leadership Academies, featuring interactive youth empowerment programs, motivational presentations, team building activities, small group discussions, and individual personal development assignments.

Through participation in the national College Goal Sunday program and the administration of New York's Student Financial Aid Awareness campaign, HESC assisted students and families in completing the Free Application for Federal Student Aid (FAFSA) – the first step in determining eligibility for federal, state and institutional aid.

During 2017-18, HESC provided outreach to New York State high schools for activities promoting a college-going culture: New York's College Application Week, which seeks to provide every graduating high school senior the opportunity to apply to college, and College Signing Day, which celebrates decisions to pursue education after high school. This year, the number of high schools and community groups participating in College Application Week grew to 550, helping more than 42,350 students secure their direct path to college. In addition, HESC coordinated and/or participated in more than 400 events that provided more than 60,000 students and families with the tools and information to help them choose a college and understand their financing options.

Fulfilling Our Mission

New York State's long-standing commitment to ensuring that its students have both access to a college education and an understanding of their financial aid options helps ensure a strong and sound investment in our students. HESC is proud to administer an array of programs and services designed to support the attainment and affordability 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>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> |
| Annual Average Recipients (FTE) | | | | | |
| Undergraduate | 302,312 | 300,100 | 290,028 | 276,424 | 278,531 |
| Graduate | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 302,312 | 300,100 | 290,028 | 276,424 | 278,531 |
| Percent Change from Prior Year | -0.9% | -0.7% | -3.4% | -4.7% | 0.8% |
| Annual Expenditures (\$ thousands) | | | | | |
| Undergraduate | \$934,802 | \$973,490 | \$957,527 | \$917,957 | \$923,964 |
| Graduate | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$934,802 | \$973,490 | \$957,527 | \$917,957 | \$923,964 |
| Percent Change from Prior Year | 0.5% | 4.1% | -1.6% | -4.1% | 0.7% |
| Annual Expenditures Per Annual Average Recipient | | | | | |
| Undergraduate | \$3,092 | \$3,244 | \$3,301 | \$3,321 | \$3,317 |
| Graduate | 0 | 0 | 0 | 0 | 0 |
| All | \$3,092 | \$3,244 | \$3,301 | \$3,321 | \$3,317 |
| Percent Change from Prior Year | 1.4% | 4.9% | 1.8% | 0.6% | -0.1% |

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

Table 2
Tuition Assistance Program Recipients

by Level of Study and Type of Institution

| Academic Year | | | | | |
|---|----------------|----------------|----------------|----------------|------------------------------------|
| Annual Average Recipients (FTE) | | | | | |
| <u>Level of Study/Type of Institution</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>Estimated</u> <u>2017-18</u> |
| Undergraduate: | | | | | |
| City University | | | | | |
| Senior Colleges | 48,800 | 50,465 | 52,364 | 52,725 | 56,178 |
| Community Colleges | 26,985 | 29,211 | 29,832 | 28,384 | 27,873 |
| CUNY TOTAL | 75,785 | 79,676 | 82,196 | 81,109 | 84,051 |
| State University | | | | | |
| State Operated | 64,803 | 65,051 | 63,933 | 62,298 | 67,218 |
| Community Colleges | 57,789 | 55,359 | 50,334 | 45,252 | 45,127 |
| SUNY TOTAL | 122,592 | 120,410 | 114,267 | 107,550 | 112,345 |
| Independent Colleges | 74,277 | 71,362 | 67,636 | 64,383 | 61,051 |
| Proprietary Degree-Granting Institutions | 22,826 | 21,418 | 18,436 | 15,895 | 13,476 |
| Nondegree Business Schools | 1,730 | 1,658 | 1,606 | 1,422 | 1,260 |
| All Other Institutions | 152 | 129 | 125 | 107 | 62 |
| Chapter XXII TAP schools | 4,950 | 5,447 | 5,762 | 5,958 | 6,286 |
| UNDERGRADUATE TOTAL | 302,312 | 300,100 | 290,028 | 276,424 | 278,531 |
| 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 | 302,312 | 300,100 | 290,028 | 276,424 | 278,531 |

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

Table 3
Tuition Assistance Program Expenditures

by Level of Study and Type of Institution

| Academic Year (\$ thousands) | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------------------|
| <u>Level of Study/Type of Institution</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>Estimated 2017-18</u> |
| Undergraduate: | | | | | |
| City University | | | | | |
| Senior Colleges | \$183,755 | \$197,205 | \$203,368 | \$203,199 | \$215,017 |
| Community Colleges | \$90,113 | \$104,296 | \$112,744 | \$106,006 | \$102,805 |
| CUNY TOTAL | \$273,868 | \$301,501 | \$316,112 | \$309,205 | \$317,822 |
| State University | | | | | |
| State Operated | \$186,616 | \$198,285 | \$196,434 | \$192,544 | \$204,007 |
| Community Colleges | \$144,014 | \$143,754 | \$135,902 | \$127,166 | \$127,517 |
| SUNY TOTAL | \$330,630 | \$342,039 | \$332,336 | \$319,710 | \$331,524 |
| Independent Colleges | \$221,044 | \$220,874 | \$209,694 | \$199,043 | \$191,431 |
| Proprietary Degree-Granting Institutions | \$80,470 | \$77,554 | \$66,732 | \$57,345 | \$49,969 |
| Nondegree Business Schools | \$5,998 | \$5,781 | \$5,660 | \$4,977 | \$4,441 |
| All Other Institutions | \$364 | \$331 | \$307 | \$287 | \$157 |
| Chapter XXII TAP schools | \$22,428 | \$25,410 | \$26,686 | \$27,390 | \$28,620 |
| UNDERGRADUATE TOTAL | \$934,802 | \$973,490 | \$957,527 | \$917,957 | \$923,964 |
| 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 | \$934,802 | \$973,490 | \$957,527 | \$917,957 | \$923,964 |

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

Table 4
Tuition Assistance Program Recipients

| by Dependency Status and Sector * | | | | | | |
|--|----------------------|----------------|----------------|----------------|------------------|---------------|
| Sector | Academic Year | | | | Estimated | |
| | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | |
| | | | | | Number | % of Total |
| <u>Independent Students</u> | | | | | | |
| CUNY | 19,688 | 19,888 | 19,631 | 18,422 | 17,855 | 5.3% |
| SUNY | 28,951 | 26,303 | 22,793 | 19,781 | 18,612 | 5.5% |
| Independent | 13,883 | 12,486 | 11,165 | 7,336 | 8,311 | 2.5% |
| Proprietary Degree-Granting Institutions | 13,620 | 12,973 | 11,098 | 9,312 | 7,728 | 2.3% |
| Nondegree Business Schools | 1,635 | 1,508 | 1,430 | 1,296 | 1,138 | 0.3% |
| All Other Institutions | 90 | 98 | 85 | 81 | 48 | 0.0% |
| Chapter XXII TAP schools | 741 | 937 | 941 | 957 | 785 | 0.3% |
| SUBTOTAL | 78,608 | 74,193 | 67,143 | 57,185 | 54,477 | 16.1% |
| (as % of total) | 21.1% | 20.1% | 18.9% | 17.1% | 16.1% | |
| <u>Dependent Students</u> | | | | | | |
| CUNY | 82,238 | 86,747 | 89,751 | 87,531 | 91,720 | 27.2% |
| SUNY | 120,965 | 120,660 | 116,481 | 111,131 | 117,217 | 34.7% |
| Independent | 70,016 | 67,984 | 64,911 | 62,466 | 59,703 | 17.7% |
| Proprietary Degree-Granting Institutions | 15,235 | 14,131 | 11,982 | 10,083 | 8,461 | 2.5% |
| Nondegree Business Schools | 349 | 347 | 347 | 328 | 266 | 0.8% |
| All Other Institutions | 106 | 79 | 86 | 78 | 52 | 0.0% |
| Chapter XXII TAP schools | 4,315 | 4,790 | 5,053 | 5,108 | 5,640 | 1.5% |
| SUBTOTAL | 293,224 | 294,738 | 288,611 | 276,725 | 283,059 | 83.9% |
| (as % of total) | 78.9% | 79.9% | 81.1% | 82.9% | 83.9% | |
| <u>All Students</u> | | | | | | |
| CUNY | 101,926 | 106,635 | 109,382 | 105,953 | 109,575 | 32.5% |
| SUNY | 149,916 | 146,963 | 139,274 | 130,912 | 135,829 | 40.2% |
| Independent | 83,899 | 80,470 | 76,076 | 69,802 | 68,014 | 20.2% |
| Proprietary Degree-Granting Institutions | 28,855 | 27,104 | 23,080 | 19,395 | 16,189 | 4.8% |
| Nondegree Business Schools | 1,984 | 1,855 | 1,777 | 1,624 | 1,404 | 0.4% |
| All Other Institutions | 196 | 177 | 171 | 159 | 100 | 0.0% |
| Chapter XXII TAP schools | 5,056 | 5,727 | 5,994 | 6,065 | 6,425 | 1.8% |
| TOTAL | 371,832 | 368,931 | 355,754 | 333,910 | 337,536 | 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>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> |
| CUNY 4-Year | 3,639 | 4,065 | 4,346 | 3,814 | 3,327 |
| CUNY 2-Year | 3,734 | 3,772 | 3,975 | 2,459 | 1,722 |
| CUNY TOTAL | 7,373 | 7,837 | 8,321 | 6,273 | 5,049 |
| SUNY 4-Year | 970 | 939 | 915 | 897 | 958 |
| SUNY 2-Year | 4,494 | 4,421 | 4,277 | 4,172 | 4,040 |
| SUNY TOTAL | 5,464 | 5,360 | 5,192 | 5,069 | 4,998 |
| Independent Colleges | 1,652 | 1,459 | 1,280 | 1,158 | 1,002 |
| Degree Proprietary | 429 | 402 | 390 | 356 | 201 |
| GRAND TOTAL | 14,918 | 15,058 | 15,183 | 12,856 | 11,250 |

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

| by Type of Institution | | | | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|
| Academic Year (\$ thousands) | | | | | |
| | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> |
| CUNY 4-Year | \$2,290.5 | \$2,494.1 | \$2,339.7 | \$2,823.3 | \$2,169.2 |
| CUNY 2-Year | \$2,309.5 | \$2,303.2 | \$2,318.6 | \$1,848.8 | \$1,245.9 |
| CUNY TOTAL | \$4,600.0 | \$4,797.3 | \$4,658.3 | \$4,672.1 | \$3,415.1 |
| SUNY 4-Year | \$1,102.6 | \$1,083.4 | \$1,066.3 | \$1,061.4 | \$1,160.0 |
| SUNY 2-Year | \$4,401.5 | \$4,310.7 | \$4,055.6 | \$4,045.1 | \$4,066.7 |
| SUNY TOTAL | \$5,504.1 | \$5,394.1 | \$5,121.9 | \$5,106.5 | \$5,226.7 |
| Independent Colleges | \$1,587.6 | \$1,456.6 | \$1,217.3 | \$1,130.7 | \$993.3 |
| Degree Proprietary | \$345.7 | \$299.1 | \$302.7 | \$300.0 | \$169.0 |
| GRAND TOTAL | \$12,037.4 | \$11,947.1 | \$11,300.2 | \$11,209.3 | \$9,804.1 |

Table 7
Number of Scholarships and Awards

| | Academic Year | | | | Estimated |
|--|---------------|---------|---------|---------|------------------|
| | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| <u>Scholarships</u> | | | | | |
| NYS Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers | 52 | 51 | 48 | 43 | 43 |
| NYS World Trade Center Memorial Scholarship | 711 | 773 | 805 | 830 | 870 |
| NYS Scholarships for Academic Excellence | 15,174 | 15,116 | 14,625 | 14,466 | 13,834 |
| Military Service Recognition Scholarship | 75 | 82 | 93 | 98 | 111 |
| Senator Patricia K. McGee Nursing Faculty Scholarship | 90 | 103 | 127 | 122 | 105 ² |
| American Airlines Flight 587 Memorial Scholarship | 19 | 23 | 20 | 18 | 13 |
| Flight 3407 Memorial Scholarship | 6 | 6 | 5 | 4 | 1 |
| NYS Math & Science Teaching Incentive Scholarship | 102 | 76 | 64 | 77 | 99 |
| New York Lottery - Leaders of Tomorrow Scholarship | 101 | 0 | 0 | 0 | 0 |
| NYS Science, Technology, Engineering and Mathematics (STEM) Incentive Program | 0 | 550 | 1,177 | 1,789 | 2,211 |
| New York State Young Farmers Loan Forgiveness Incentive Program | 0 | 10 | 15 | 15 | 11 |
| NYS Achievement and Investment in Merit Scholarship (NY-AIMS) | 0 | 0 | 1,601 | 2,186 | 2,022 |
| NYS Get on Your Feet Loan Forgiveness Program | 0 | 0 | 644 | 1,855 | 2,209 |
| NY Masters-in-Education Teacher Incentive Scholarship Program | 0 | 0 | 0 | 63 | 66 |
| Enhanced Tuition Awards | 0 | 0 | 0 | 0 | 1,948 |
| NYS Part-Time Scholarship Award Program | 0 | 0 | 0 | 0 | 387 |
| Excelsior Scholarship | 0 | 0 | 0 | 0 | 20,049 |
| SUBTOTAL | 16,330 | 16,790 | 19,224 | 21,566 | 43,979 |
| <u>Awards</u> | | | | | |
| NYS Aid for Part-Time Study | 14,918 | 15,058 | 15,183 | 12,856 | 11,250 |
| NYS Regents Awards for Children of Deceased and Disabled Veterans | 441 | 434 | 476 | 422 | 454 |
| Regents Physician Loan Forgiveness Program | 41 | 92 | 105 | 103 | 121 ¹ |
| Veterans Tuition Awards | 1,593 | 1,410 | 1,231 | 992 | 822 |
| Loan Forgiveness for Nursing Faculty | 72 | 87 | 95 | 117 | 138 ³ |
| Loan Forgiveness for Licensed Social Workers | 170 | 184 | 238 | 270 | 259 |
| Loan Forgiveness for District Attorneys | 791 | 822 | 775 | 759 | 616 |
| John R. Justice Student Loan Repayment Program * | 69 | 57 | 46 | 30 | 0 |
| SUBTOTAL | 18,095 | 18,144 | 18,149 | 15,549 | 13,660 |
| TOTAL | 34,425 | 34,934 | 37,373 | 37,115 | 57,639 |

* 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>Estimated</u> |
|--|-----------------------------|----------------|----------------|----------------|----------------------|
| | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> |
| <u>Scholarships</u> | | | | | |
| NYS Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers | \$839 | \$837 | \$787 | \$715 | \$797 |
| NYS World Trade Center Memorial Scholarship | \$11,271 | \$12,450 | \$13,377 | \$14,384 | \$15,759 |
| NYS Scholarships for Academic Excellence | \$10,563 | \$10,489 | \$10,079 | \$9,919 | \$9,489 |
| Military Service Recognition Scholarship | \$1,027 | \$1,123 | \$1,300 | \$1,446 | \$1,868 |
| Senator Patricia K. McGee Nursing Faculty Scholarship | \$1,278 | \$1,617 | \$1,869 | \$1,953 | \$1,512 ² |
| American Airlines Flight 587 Memorial Scholarship | \$198 | \$308 | \$280 | \$248 | \$190 |
| Flight 3407 Memorial Scholarship | \$79 | \$82 | \$85 | \$60 | \$15 |
| NYS Math & Science Teaching Incentive Scholarship | \$565 | \$449 | \$412 | \$447 | \$625 |
| New York Lottery - Leaders of Tomorrow Scholarship | \$88 | \$0 | \$0 | \$0 | \$0 |
| NYS Science, Technology, Engineering and Mathematics (STEM) Incentive Program | \$0 | \$2,791 | \$6,443 | \$10,038 | \$12,842 |
| New York State Young Farmers Loan Forgiveness Incentive Program | \$0 | \$100 | \$123 | \$136 | \$69 |
| NYS Achievement and Investment in Merit Scholarship (NY-AIMS) | \$0 | \$0 | \$790 | \$1,068 | \$968 |
| NYS Get on Your Feet Loan Forgiveness Program | \$0 | \$0 | \$236 | \$1,683 | \$2,503 |
| NY Masters-in-Education Teacher Incentive Scholarship Program | \$0 | \$0 | \$0 | \$586 | \$547 |
| Enhanced Tuition Awards | \$0 | \$0 | \$0 | \$0 | \$2,625 |
| NYS Part-Time Scholarship Award Program | \$0 | \$0 | \$0 | \$0 | \$968 |
| Excelsior Scholarship | \$0 | \$0 | \$0 | \$0 | \$66,609 |
| SUBTOTAL | \$25,908 | \$30,246 | \$35,781 | \$42,683 | \$117,386 |
| <u>Awards</u> | | | | | |
| NYS Aid for Part-Time Study | \$12,037 | \$11,947 | \$11,300 | \$11,209 | \$9,804 |
| NYS Regents Awards for Children of Deceased and Disabled Veterans | \$177 | \$172 | \$187 | \$166 | \$183 |
| Regents Physician Loan Forgiveness Program | \$720 | \$920 | \$1,044 | \$1,028 | \$1,206 ¹ |
| Veterans Tuition Awards | \$5,232 | \$4,727 | \$4,154 | \$3,441 | \$2,877 |
| Loan Forgiveness for Nursing Faculty | \$556 | \$670 | \$715 | \$918 | \$1,039 ³ |
| Loan Forgiveness for Licensed Social Workers | \$1,050 | \$1,148 | \$1,484 | \$1,708 | \$1,621 |
| Loan Forgiveness for District Attorneys | \$2,684 | \$2,790 | \$2,628 | \$2,580 | \$2,094 |
| John R. Justice Student Loan Repayment Program * | \$82 | \$38 | \$45 | \$62 | \$0 ⁴ |
| SUBTOTAL | \$22,538 | \$22,412 | \$21,557 | \$21,112 | \$18,824 |
| TOTAL | \$48,446 | \$52,658 | \$57,338 | \$63,795 | \$136,210 |

* John R. Justice Repayment Program are 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 | \$19,129 |
| 2014 | \$20,170,938,266 | 787,065 | \$22,427 |
| 2015 | \$20,137,457,001 | 839,932 | \$24,015 |
| 2016 | \$23,101,957,964 | 874,212 | \$23,035 |
| 2017 | \$26,689,282,432 | 977,979 | \$23,622 |
| 2018 | \$30,035,172,256 | 1,040,802 | \$25,643 |

* Amounts represent year-end figures as of Dec. 31st of each year, except 2017 amounts which are as of September 30, 2017 and 2018 amounts which are as of September 29, 2018.

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 |
| Total | \$12,073,569,344 |

* 2002 through 2016 are year-end figures; amounts for 2017 are as of September 30, 2017; and 2017 numbers are as of September 29, 2018.

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>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> |
| <u>Grants and Scholarships</u> | | | | | |
| Tuition Assistance | \$934,802 | \$973,490 | \$957,527 | \$917,957 | \$923,964 |
| Other Grants and Scholarships | 48,446 | 52,658 | 57,338 | 63,795 | 136,210 |
| TOTAL | \$983,248 | \$1,026,148 | \$1,014,865 | \$981,752 | \$1,060,174 |
| Percent Change from Prior Year | 0.5% | 4.2% | -1.1% | -3.4% | 7.4% |

Table 12
EFT Escrow Service

| | 2013-2014 | | 2014-2015 | | 2015-2016 | | 2016-2017 | | 2017-2018 | |
|--|---------------------------|------------------|---------------------------|------------------|---------------------------|------------------|---------------------------|------------------|---------------------------|------------------|
| | 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 | 4,548 | \$32,100 | 2,302 | \$16,942 | 2,275 | \$17,522 | 1,980 | \$16,201 | 1,999 | \$19,908 |
| Percent Change From Prior Year | -7% | -4% | -49% | -47% | -1% | 3% | -13% | -8% | 1% | 23% |
| 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 | 4,548 | \$32,100 | 2,302 | \$16,942 | 2,275 | \$17,522 | 1,980 | \$16,201 | 1,999 | \$19,908 |

Table 13
Defaulted Purchases and Collections Activities

| | State Fiscal Year (\$ thousands) | | | | |
|---|---|----------------|----------------|----------------|----------------|
| | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> |
| Defaulted Loans Purchased | \$430,381 | \$389,133 | \$330,832 | \$360,733 | \$332,815 |
| Outstanding Balance of Defaulted Loans | \$2,116,555 | \$2,008,073 | \$1,803,329 | \$1,618,761 | \$1,466,961 |
| Regular Collections* | \$116,964 | \$110,276 | \$97,722 | \$85,070 | \$55,362 |
| Amount Consolidated* | \$167,471 | \$127,935 | \$110,617 | \$99,740 | \$96,564 |
| Amount Rehabilitated* | \$203,463 | \$196,708 | \$218,175 | \$248,222 | \$193,189 |
| Total Recoveries | \$487,898 | \$434,919 | \$426,514 | \$433,032 | \$345,115 |
| * The Collection, Consolidated and Rehabilitated amounts include principal, interest and collection fees. | | | | | |
| | Collection Revenues | | | | |
| Revenue Collections | \$18,754 | \$17,695 | \$15,680 | \$13,643 | \$12,098 |
| Revenue Consolidated | \$14,146 | \$10,709 | \$9,372 | \$8,435 | \$8,160 |
| Revenue Rehabilitated | \$64,353 | \$43,883 | \$45,041 | \$48,143 | \$37,777 |
| Total Collection Related Revenue | \$97,253 | \$72,287 | \$70,093 | \$70,221 | \$58,035 |

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 |
| 2013-14 | \$13,543,043 | 1,054,577 | 1,563,742 | (\$1,344,033) | -9.0% |
| 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% |

Table 15
Default Cohort and Trigger Rates

| Federal Fiscal Year Ended September 30 | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
| HESC's Cohort Default 2 Year Rate * | * | * | * | * | * |
| HESC's Cohort Default 3 Year Rate *** | 7.7% | 6.6% | 6.6% | 5.2% | N/A |
| National Default Cohort 2 Year Rate * | * | * | * | * | * |
| National Default Cohort 3 Year Rate *** | 11.3% | 11.5% | 10.8% | N/A | N/A |
| HESC's Default Trigger Rate ** | 1.51% | 1.52% | 0.93% | 0.62% | 0.78% |

* 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 2015 will not be available until September 2018.

Table 16
Applications Received and Processed

| For Each Academic Year | | | | | |
|--|----------------|----------------|----------------|----------------|------------------------------------|
| | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>Estimated</u> <u>2017-18</u> |
| GRANT AND SCHOLARSHIP TOTAL | 630,096 | 640,611 | 618,122 | 583,212 | 596,059 |
| Percent Change from Prior Year | 1.6% | 1.7% | -3.5% | -5.6% | 2.2% |

Financial Aid Programs for New York State Students

Grants and Scholarships

| Name of Program | Description of Program | 2017-18 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 \$924 million in grants to more than 278,000 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 \$9 million in aid to 11,250 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 \$9 million in scholarships to 13,834 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 \$797,000 in scholarships to 43 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 \$183,000 to 454 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 \$2.8 million to 835 students. |

Financial Aid Programs for New York State Students

Grants and Scholarships (Cont'd.)

| Name of Program | Description of Program | 2017-18 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 \$15 million to 870 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 engaged in hostilities or training for hostilities. | Awarded \$1.8 million in scholarships to 111 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 \$1.5 million in scholarships to 105 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 \$190,000 in scholarships to 13 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 \$15,000 in scholarships to 1 student. |
| 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 \$625,000 in scholarships to 99 students. |

Financial Aid Programs for New York State Students

Grants and Scholarships (Cont'd.)

| Name of Program | Description of Program | 2017-18 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 \$12 million to 2,211 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 \$968,000 in scholarships to 2,022 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 \$547,000 in scholarships to 66 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 \$66 million to 20,049 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 \$2.6 million to 1,948 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 \$1.6 million to 628 students. |

Financial Aid Programs for New York State Students

Loan Forgiveness Scholarships Programs

| Name of Program | Description of Program | 2017-18 Accomplishments |
|---|--|---|
| Regents Physician Loan Forgiveness Program | Provides payment of loans for physicians who practice medicine in shortage areas of New York State. | Forgave \$1.2 million in loans for 121 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 million to 138 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 259 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 \$20 million to 616 eligible district attorneys. |

Financial Aid Programs for New York State Students

Loan Forgiveness Scholarships Programs (Cont'd.)

| Name of Program | Description of Program | 2017-18 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 \$69,000 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 \$2.5 million to 2,209 students. |

Financial Aid Programs for New York State Students

Loan-Related Programs

| Name of Program | Description of Program | 2017-18 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 200,000 DAARs for more than \$2.06 billion. |
| Rehabilitation Loan Program | Allows borrowers who have made nine consecutive payments to have their loans removed from default. | Rehabilitated more than \$201 million in loans for more than 7,400 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 317 borrowers. |
| SmartCheck | Allows borrowers with defaulted loans to have their payments deducted from their bank accounts. | More than \$11 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 | 2017-18 Accomplishments |
|--|---|---|
| New York's 529 College Savings Program | Tax-advantaged savings program to help parents save for college expenses. | More than 1,040,802 accounts with a total value of more than \$30 billion have been established through the program's 20th year. More than \$12 billion has been disbursed. |