

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), 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, serving in an ex-officio capacity, include 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 2025 Executive Budget recommends \$1.02 billion in total appropriations for HESC and a workforce of 103 FTEs. The FY 2025 appropriation level represents a \$185 million net decrease from the prior year, primarily due to the alignment of the appropriations for TAP and other scholarship and award programs with HESC's projections of the State's liability for the 2024-25 academic year (AY 2025) under current law given recent years' college enrollment declines.

The Executive Budget requires school districts to ensure that every high school senior completes the Free Application for Federal Student Aid (FAFSA) or the New York State DREAM Act application (or in the alternative, signs a waiver form indicating that they are aware of, but choose not to fill out, the FAFSA). All individual students will still be able to graduate regardless of whether they complete the FAFSA.

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

Program Highlights

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 AY 2023, nearly 234,000 New Yorkers attending college were awarded more than \$662 million in TAP funds to help pay their college tuition costs.

Senator Jose R. Peralta DREAM Act

In 2019, the Senator Jose R. Peralta DREAM Act was enacted, opening the doors of higher education to thousands of undocumented students by providing them with access to the Excelsior Scholarship, TAP, and other State-administered scholarships.

Targeted Scholarship, Loan Forgiveness, and Award Programs

During AY 2023, 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 approximately \$191 million going to support the college costs of more than 50,000 students.

These totals include \$136 million for almost 30,000 recipients of Excelsior Scholarships. In 2017, building on the State's already generous tuition assistance, New York launched the groundbreaking Excelsior Scholarship to provide tuition-free college for middle-class families. The first-of-its-kind program covers tuition at New York's public colleges and universities for families earning up to \$125,000 a year.

College Access and Outreach Programs

New York State continues its commitment to ensuring that its students have both access to a college education and an understanding of their financial aid options, and HESC continues its commitment to supporting the pursuit and attainment of a postsecondary degree for all New York State students. In AY 2023, HESC expanded its virtual outreach efforts by significantly expanding virtual supports available to students. As part of the strategy, a wider range of events was offered, including FAFSA and TAP application assistance for students and families and focused discussions with financial aid professionals. The continued investment in college access and outreach initiatives will help encourage more New York State students to pursue their academic and professional aspirations and achieve their full potential, regardless of financial circumstances.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

<u>Category</u>	Available FY 2024	Appropriations Recommended FY 2025	Change From FY 2024	Reappropriations Recommended FY 2025
State Operations	60,809,000	56,509,000	(4,300,000)	37,203,000
Aid To Localities	1,148,778,000	967,854,000	(180,924,000)	36,646,000
Total	1,209,587,000	1,024,363,000	(185,224,000)	73,849,000

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

<u>Program</u>	FY 2024 Estimated FTEs 03/31/24	FY 2025 Estimated FTEs 03/31/25	FTE Change
Administration			
General Fund	3	3	0
Special Revenue Funds - Other	100	100	0
Total	103	103	0

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

<u>Fund Type</u>	Available FY 2024	Recommended FY 2025	Change
General Fund	900,000	900,000	0
Special Revenue Funds - Federal	8,600,000	4,300,000	(4,300,000)
Special Revenue Funds - Other	51,309,000	51,309,000	0
Total	60,809,000	56,509,000	(4,300,000)

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

<u>Program</u>	Available FY 2024	Recommended FY 2025	Change
Administration			
General Fund	900,000	900,000	0
Special Revenue Funds - Other	51,309,000	51,309,000	0
Student Grant and Award Programs			
Special Revenue Funds - Federal	8,600,000	4,300,000	(4,300,000)
Total	60,809,000	56,509,000	(4,300,000)

NYS DOB | FY 2025 Executive Budget | Agency Appropriations
STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
FY 2025 RECOMMENDED
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	900,000	0	900,000	0
Total	900,000	0	900,000	0

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2025 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	51,309,000	0	11,100,000	0
Student Grant and Award Programs	4,300,000	(4,300,000)	210,000	210,000
Total	55,609,000	(4,300,000)	11,310,000	210,000

Program	Nonpersonal Service	
	Amount	Change
Administration	40,209,000	0
Student Grant and Award Programs	4,090,000	(4,510,000)
Total	44,299,000	(4,510,000)

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

Fund Type	Available FY 2024	Recommended FY 2025	Change
General Fund	1,147,278,000	966,354,000	(180,924,000)
Special Revenue Funds - Other	1,500,000	1,500,000	0
Total	1,148,778,000	967,854,000	(180,924,000)

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

Program	Available FY 2024	Recommended FY 2025	Change
Student Grant and Award Programs			
General Fund	1,147,278,000	966,354,000	(180,924,000)
Special Revenue Funds - Other	1,500,000	1,500,000	0
Total	1,148,778,000	967,854,000	(180,924,000)

Note: Most recent estimates as of 01/16/2024