

2011-2012 ANNUAL REPORT



**BUILDING OPPORTUNITY
THROUGH ACCESS & AFFORDABILITY**

New York State Higher Education Services Corporation



MISSION

We help people pay for college.

WHO WE ARE

HESC is New York State's higher education student financial aid agency.

HESC administers:

- **New York's Tuition Assistance Program (TAP)**
- **18 State scholarship and loan forgiveness programs**
- **Federal Leveraging Educational Assistance Partnership (LEAP), Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) grants**
- **College Access Challenge Grant (CACG) Program**
- **New York's 529 College Savings Program, with the Office of the State Comptroller (OSC)**
- **Financial literacy programs for students and families**

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As of March 31, 2012

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BUILDING OPPORTUNITY THROUGH ACCESS & AFFORDABILITY

The benefits of higher education are both long and well documented, with numerous studies showing that four-year college graduates generally experience a number of economic benefits over high school graduates, including higher median earnings and lower unemployment rates.

Creating a college-going culture – building the expectation of postsecondary education for all students – is a goal that requires the commitment and involvement of administrators, educators, families and students.

Students who have parental, school and community support in the expectation that college will follow high-school see college attendance as the means to achieving their life goals.

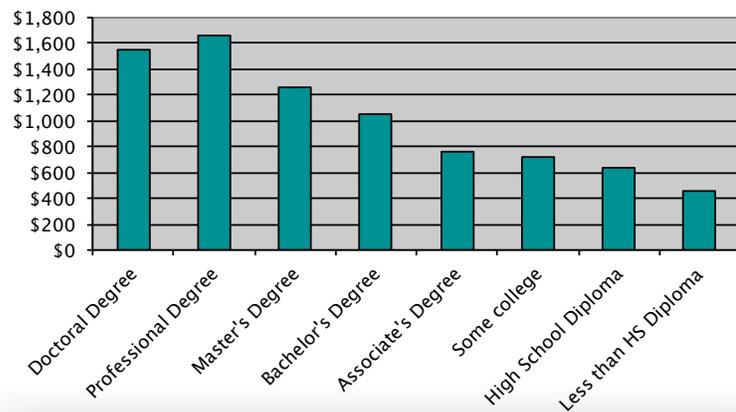
The theme for HESC's 2011-12 Annual Report – Building Opportunity through Access and Affordability – reflects our agency's deep and long-standing commitment to ensuring that New York State students and families are provided services that encourage and prepare them to attend and succeed in college, and that they are aware of all their college financial aid options to help them afford a postsecondary education.

HESC remains committed to administering State grant and scholarship programs with long-standing support, like the Tuition Assistance Program (TAP), along with newer initiatives like Student Financial Aid Awareness Month and College Access Challenge Grant programs to improve college access and preparedness among traditional, nontraditional and underrepresented students.

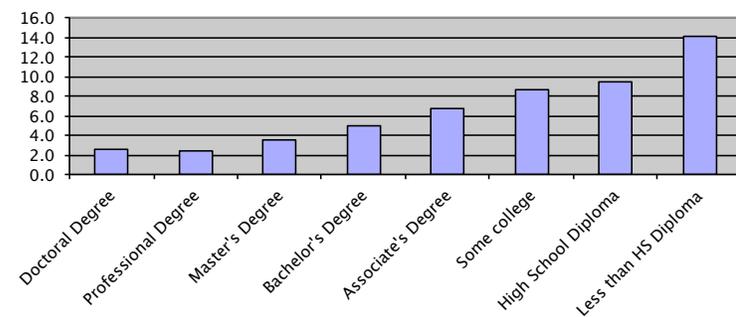
In 2011-12, HESC continued to broaden its outreach, utilizing federal grants to invest in programs that empower greater numbers of economically and academically disadvantaged students to enter and succeed in college, and ensuring that higher education opportunities are available to all New Yorkers.

HESC is proud of its commitment to the students we serve. With rising challenges to improve college attendance and graduation rates, and to ensure that students enter college prepared to succeed, HESC remains focused on meeting the higher education needs of New York's students and families as they pursue their educational goals.

2011 MEDIAN WEEKLY EARNINGS



2011 UNEMPLOYMENT RATE



ACCESS & AFFORDABILITY: LAYING THE FOUNDATION

College Access Challenge Grant

Recent reports predict that within the current decade, more than 60 percent of all job openings will require that workers have some college education.

In 2011-12, New York State received its third federal College Access Challenge Grant Program (CACG) grant, \$7 million, to fund programs to improve the educational future of students who might not otherwise attend college or complete their degrees. Since 2008, New York State has received a total of \$22 million in CACG funding, helping more than 65,000 New Yorkers apply for and succeed in college.

CACG funds support programs that increase the number of underrepresented students prepared to enter and succeed in postsecondary education. HESC's primary objective in administering the NYS CACG Program has been to lay the foundation for college access and affordability by funding programs and services designed to improve college awareness, readiness, attendance and degree attainment through early outreach to high school students and families, particularly those with incomes below the poverty level.

In 2011-12, HESC awarded \$4.7 million in CACG sub-grants to programs, run by organizations and schools across the state, that provide crucial services including academic support for students at risk of dropping out, training for high school guidance counselors serving low income students and college financing workshops.

HESC also made grant funds available to State higher education organizations, and other institutions working directly with at-risk populations that are traditionally underserved.

New York Remains a National Leader

New York State remains a leader in providing need-based aid and a model for other states to follow.

The 2010-11 survey by the National Association of State Student Grant and Aid Programs reports that New York leads the nation in total number of need-based student grants awarded: 374,449.

With CACG funding, HESC developed and now provides an interactive website designed to give students at risk of not attending college or even completing high school the skills, encouragement and preparation needed to pursue postsecondary education. GoCollegeNY.org offers videos of college students successfully navigating the college process despite facing economic and social challenges, and gives visitors the ability to explore careers and find colleges that provide education that matches their career aspirations. Additionally, students can get help in tracking their high school course selections to prepare for their college studies.

GoCollegeNY.org also offers CACG sub-grant administrators their own portal, where they can find resources for managing their grant and a forum to share best practices.

Table 1
College Access Challenge Grant Activities

Data is from April 1, 2011-March 31, 2012*

<u>CACG Grant Recipient</u>	<u>Students Served</u>	<u>Outreach Activities</u>	<u>Academic Enrichment</u>	<u>FAFSA Asst and Info for Students and Families</u>	<u>Other</u>
NYS Department of Corrections and Community Service	528		X		
Cypress Hills Local Development Corporation	1666	X		X	
Research Foundation CUNY	761		X	X	
Research Foundation SUNY - SUNY Buffalo	142			X	
College Summit New York	1386			X	
Generations School Network	1218		X	X	X
New Settlement Apartments College Access Center	1179			X	
On Point For College	1355			X	X
Mercy College	277	X	X	X	X
Syracuse City School District	1399	X	X	X	
Jamestown Community College	99	X	X	X	
Harlem Center for Education	683		X	X	
Bard College	43			X	
Bottom Line, Inc.	302			X	
Commission on Independent Colleges & Universities	1810	X	X	X	
Mosholu Montefiore Community Center	1328		X	X	X
Institute For Student Achievement	304	X	X	X	X
Mahattan College	80				X
Syracuse University	252		X	X	X
Veterans Outreach	296	X	X	X	
YMCA of Greater New York	458		X	X	X
Pathways	171		X	X	
Renaissance School	378	X		X	X
St. John's University	307	X	X	X	

*Data is self reported by project site

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)

Under the seven-year, \$21 million New York Gaining Early Awareness and Readiness for Undergraduate Programs (NYGEAR UP), a cohort of approximately 7,000 economically disadvantaged and academically at-risk students received academic and personal support services. Students were provided with tutoring and mentoring, as well as guidance on the college admission process and financial aid programs available to them. They also participated in programs to help improve their school attendance and increase their college awareness and readiness.

Subsequent to the completion of the NYGEAR UP grant, a one-year, no-cost extension in 2011-12 enabled 479 students to continue receiving comprehensive and intensive services through six sites during the school year.

Table 2
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) 2011-2012

<u>State Sites- NYGEAR UP - HESC</u>	<u>Students Served</u>
Albany City School District	141
Jamestown Community College	100
Long Island University - Brooklyn Campus	50
Rochester Institute of Technology	62
St. John's University	59
Yonkers City Schools	67
<i>Total Students served by NYGEAR UP</i>	479

Data from NYGEAR UP 2010-11 Annual Performance Report and reflects activities from September 1, 2011 thru August 31, 2012

Helping Students And Families Make Smart Financial Decisions

A college education remains the most important investment one will make in his or her lifetime. This year, HESC's certified Personal Finance Educators served thousands of students with programs covering the financing of their college education, basic budgeting, understanding credit reports, the FICO score, and identity theft.

More than 2,000 students and their family members received financial literacy instruction at workshops offered as a part of college freshmen orientation programs and presentations to specific student groups, including high school seniors, children in foster care, adult learners, middle school students and the general public.

Saving For College

As co-administrator of New York's 529 College Savings Program, HESC helps families understand the advantages of saving for college.

New York's 529 College Savings Program includes two separate 529 plans managed by Upromise Investments, Inc: the Direct Plan, with investment management and offerings through the Vanguard Group; and, the Advisor Plan, with investment management and offerings through Bank of America's Columbia Management Group.

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.

New York's 529 College Savings Program has teamed with Upromise Rewards, a service that returns a percentage of everyday purchases at America's leading companies into money for college. Since December 2003, nearly \$40 million has been transferred into 529 accounts through this program. The program was launched on September 28, 1998.

Table 3
New York's 529 College Savings Program

<u>Calendar Year*</u>	<u>Account Volume</u>	<u>Number of Accounts</u>	<u>Average Balance</u>
2007	\$7,911,608,006	560,303	\$14,120
2008	\$7,008,036,857	609,269	\$11,502
2009	\$9,067,051,766	642,867	\$14,104
2010	\$11,014,999,796	665,153	\$16,560
2011	\$12,087,860,415	683,974	\$17,673
2012	\$13,782,064,677	720,463	\$19,129

* Amounts represent year-end figures as of Dec. 31st of each year, except 2012 amounts which are as of September 30, 2012.

**College Savings Program
Account Volume
(\$ millions)**

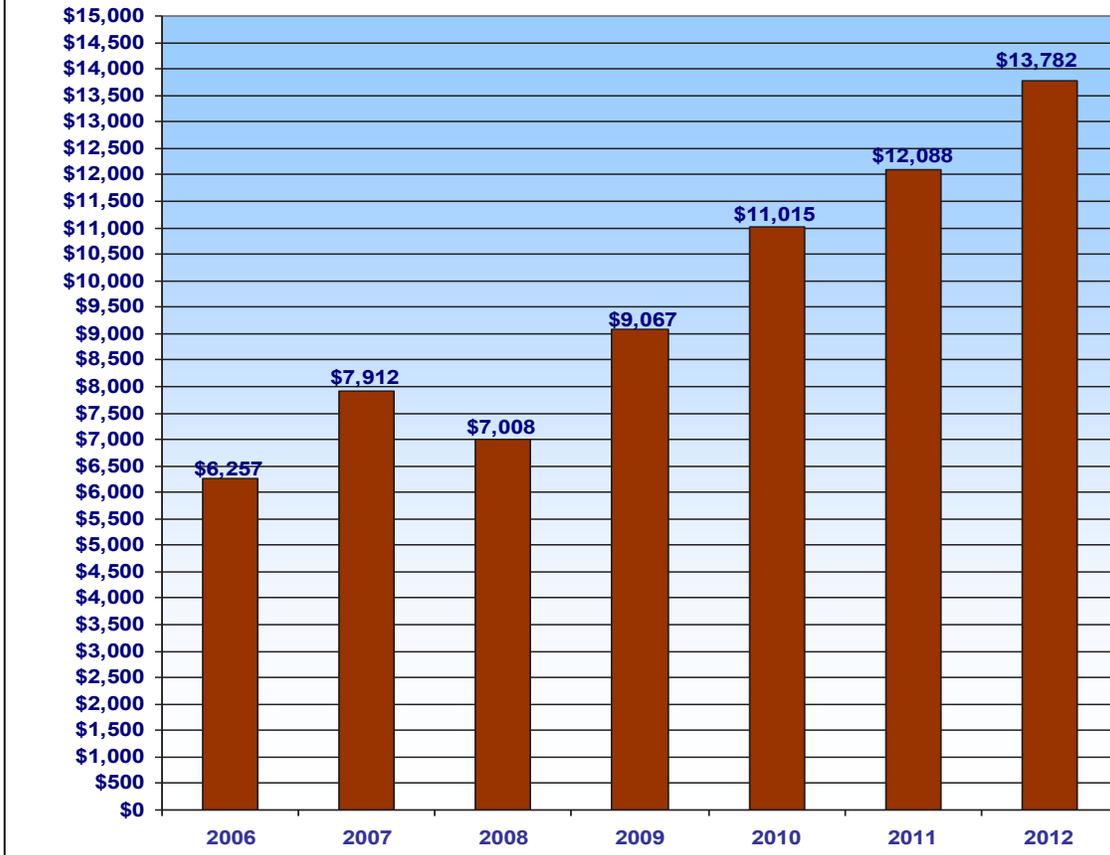


Table 4
New York's 529 College Savings Program Qualified Withdrawals

<u>Calendar Year*</u>	
2002	\$40,496,459
2003	58,461,787
2004	108,675,174
2005	167,104,719
2006	235,593,949
2007	316,586,669
2008	390,640,578
2009	444,498,279
2010	545,692,718
2011	636,648,151
2012	528,968,271
Total	\$3,473,366,754

* 2002 through 2011 are year-end figures.
2012 is the amount as of September 30, 2012

ACCESS & AFFORDABILITY: PAYING FOR COLLEGE

New York State Grants & Scholarships

In 2011-12, HESC-administered programs helped more than 424,000 students achieve their college dreams by providing \$971.5 million in grants, scholarships and loan forgiveness benefits.

The Tuition Assistance Program (TAP), which provides grants to New York resident students attending in-state colleges and universities, remains the largest entitlement need-based grant program in the nation. During the 2011-12 academic year, TAP provided more than \$920.1 million in tuition awards to more than 384,000 students.

HESC-administered State scholarship and loan forgiveness programs provided another 40,668 students with awards worth \$51.2 million to support their college costs during the 2011-12 academic year:

- More than 2,100 New York State veterans received Veterans Tuition Awards totaling nearly \$6.5 million, and 56 veterans were awarded more than \$687,000 through the Military Service Recognition Scholarship. Additionally, 413 children of deceased and disabled veterans received awards totaling \$175,000 toward the financing of their college education.
- Survivors and family members of those who lost their lives in the September 11, 2001 terrorist attacks were awarded \$10.2 million through scholarships to assure their access to college.
- Over 17,700 students, opting to continue their postsecondary education on a part-time basis, were provided over \$12 million in awards through the State's Aid for Part-Time Study program.
- More than 16,000 outstanding graduating seniors from high schools across the State received NYS Scholarships for Academic Excellence totaling more than \$10.9 million.
- To help address the growing demand for highly qualified math and science teachers, 160 students were awarded a total of \$814,000 in NYS Math and Science Teaching Incentive Scholarships.
- More than 1,000 professionals received over \$4 million in awards to forgive loans used to finance their education through three student loan forgiveness programs for district attorneys, social workers and nursing faculty. In return, these professionals are performing much needed services that benefit New Yorkers in areas of high need across the State.
- HESC also administered the new federal John R. Justice Student Loan Repayment Program totaling \$216,000 on behalf of 102 prosecutors and public defenders across New York State.

Green Application Process

HESC has significantly enhanced the availability of web-based applications for students applying for HESC-administered grants and scholarships. All program applications are now available online, and student notifications of award eligibility are now an almost paperless process. For 2011-12, HESC transmitted nearly 1.7 million student communications — 99 percent electronically.

Upon completing their TAP application, students can also, link directly to HESC's web page that highlights all available state grant and scholarship programs and their respective eligibility requirements, and links to the online applications for each. As of March 31, nearly 162,159 students had linked to program information through this portal.

Concurrently, paper applications declined by 5,000 from the prior year. As of March 31, 646,681 students had applied for New York State financial aid for the 2011-12 academic year, with less than 2 percent using paper applications.

Table 5
Tuition Assistance Program Recipients and Expenditures

Level of Study	by Level of Study				
	Academic Year				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>Estimated 2011-12</u>
Annual Average Recipients (FTE)					
Undergraduate	301,807	306,041	323,150	310,363	310,140
Graduate	7,381	7,477	7,229	0	0
TOTAL	309,188	313,518	330,379	310,363	310,140
Percent Change from Prior Year	-3.2%	1.4%	5.4%	-6.1%	-0.1%
Annual Expenditures (\$ thousands)					
Undergraduate	791,369	810,947	899,686	857,718	920,100
Graduate	2,879	2,967	2,825	0	0
TOTAL	794,248	813,914	902,511	857,718	920,100
Percent Change from Prior Year	-4.0%	2.5%	10.9%	-5.0%	7.3%
Annual Expenditures Per Annual Average Recipient					
Undergraduate	\$2,622	\$2,650	\$2,784	\$2,764	\$2,967
Graduate	390	397	391	0	0
All	\$2,569	\$2,596	\$2,732	\$2,764	\$2,967
Percent Change from Prior Year	-0.9%	1.1%	5.2%	1.2%	7.4%

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

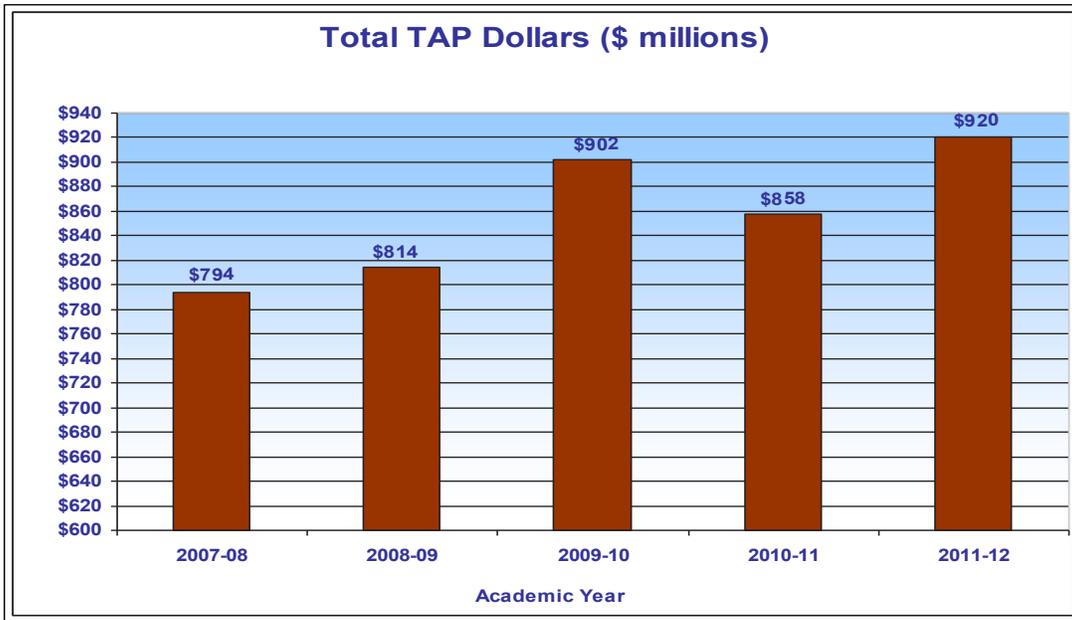
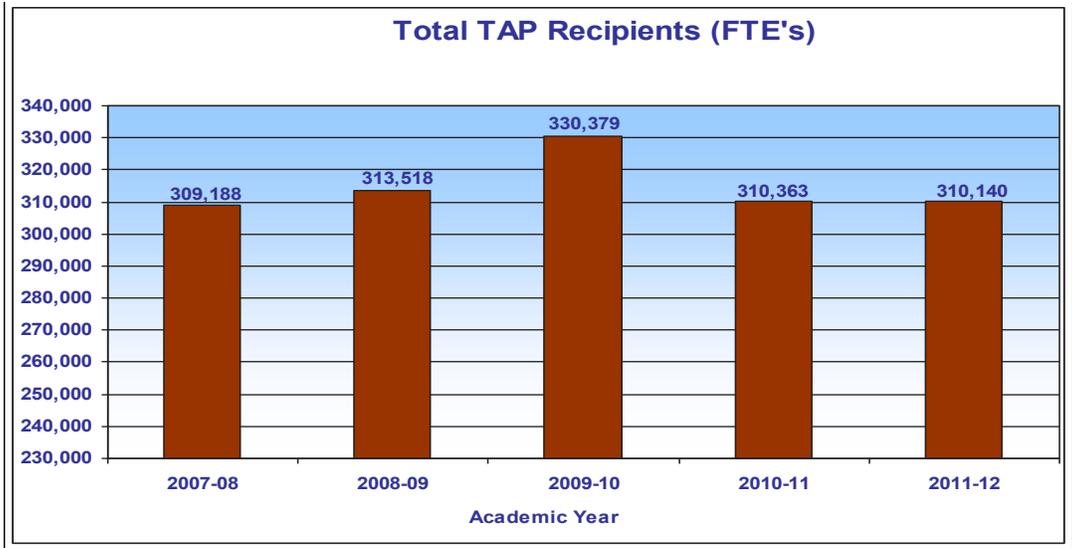


Table 6
Tuition Assistance Program Recipients

<u>Level of Study/Type of Institution</u>	Academic Year				
	Annual Average Recipients (FTE)				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>Estimated</u>
					2011-12
Undergraduate:					
City University					
Senior Colleges	44,203	45,741	48,698	46,765	47,780
Community Colleges	19,637	20,949	24,817	23,307	26,120
CUNY TOTAL	63,840	66,690	73,515	70,072	73,900
State University					
State Operated	69,485	69,217	69,258	66,815	64,880
Community Colleges	53,557	57,594	64,795	59,476	59,860
SUNY TOTAL	123,042	126,811	134,053	126,291	124,740
Independent Colleges	84,353	82,105	82,684	80,558	78,780
Proprietary Degree-Granting Institutions	28,511	28,007	30,023	30,309	28,010
Nondegree Business Schools	1,906	2,244	2,672	2,953	2,530
All Other Institutions	155	184	203	180	170
Chapter XXII TAP schools	0	0	0	0	2,010
UNDERGRADUATE TOTAL	301,807	306,041	323,150	310,363	310,140
Graduate:					
City University	493	543	629	0	0
State University	2,742	2,600	2,356	0	0
Independent Colleges	4,146	4,334	4,244	0	0
GRADUATE TOTAL	7,381	7,477	7,229	0	0
GRAND TOTAL	309,188	313,518	330,379	310,363	310,140

Tuition Assistance Program (TAP) Recipients by Sector

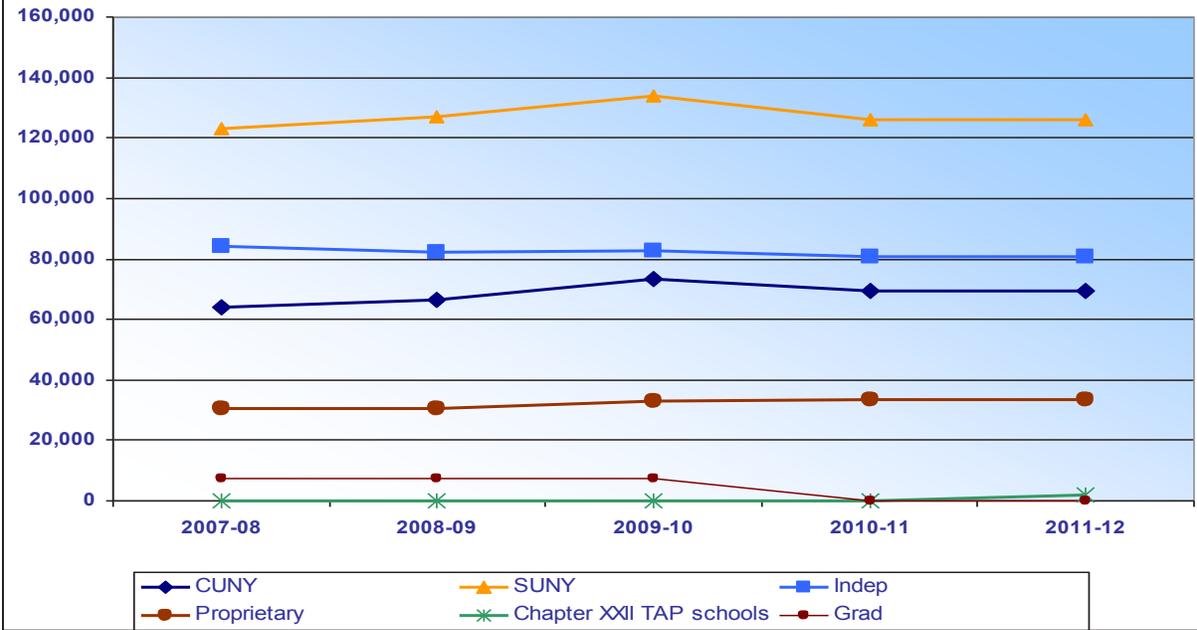


Table 7
Tuition Assistance Program Expenditures

by Level of Study and Type of Institution

<u>Level of Study/Type of Institution</u>	<u>Academic Year (\$ thousands)</u>				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>Estimated 2011-12</u>
Undergraduate:					
City University					
Senior Colleges	\$129,221	\$132,503	\$162,011	\$156,888	\$177,580
Community Colleges	\$43,438	\$45,808	\$60,710	\$56,628	\$74,260
CUNY TOTAL	\$172,659	\$178,311	\$222,721	\$213,516	\$251,840
State University					
State Operated	\$159,344	\$169,619	\$182,161	\$176,551	\$180,050
Community Colleges	\$100,655	\$111,161	\$129,380	\$122,344	\$138,780
SUNY TOTAL	\$259,999	\$280,780	\$311,541	\$298,895	\$318,830
Independent Colleges	\$238,069	\$233,029	\$238,231	\$228,362	\$232,380
Proprietary Degree-Granting Institutions	\$111,981	\$108,534	\$114,950	\$105,992	\$98,620
Nondegree Business Schools	\$8,287	\$9,833	\$11,701	\$10,490	\$8,950
All Other Institutions	\$374	\$460	\$542	\$463	\$410
Chapter XXII TAP schools	\$0	\$0	\$0	\$0	\$9,070
UNDERGRADUATE TOTAL	\$791,369	\$810,947	\$899,686	\$857,718	\$920,100
Graduate:					
City University	\$179	\$206	\$230	\$0	\$0
State University	\$1,095	\$1,035	\$909	\$0	\$0
Independent Colleges	\$1,605	\$1,726	\$1,686	\$0	\$0
GRADUATE TOTAL	\$2,879	\$2,967	\$2,825	\$0	\$0
GRAND TOTAL	\$794,248	\$813,914	\$902,511	\$857,718	\$920,100

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

Table 8
Tuition Assistance Program Recipients

Sector	by Dependency Status and Sector *					
	Academic Year					Estimated 2011-12
	2007-08	2008-09	2009-10	2010-11	Number	
<u>Independent Students</u>						
CUNY	18,340	17,966	19,703	19,230	19,808	5.2%
SUNY	29,776	30,390	34,577	32,776	31,728	8.3%
Independent	19,947	19,021	19,380	15,626	15,082	3.9%
Proprietary Degree-Granting Institutions	17,155	16,354	17,884	18,864	17,463	4.5%
Nondegree Business Schools	1,740	2,050	2,362	2,697	2,402	6.3%
All Other Institutions	103	132	144	130	118	3.1%
Chapter XXII TAP schools	0	0	0	0	855	2.2%
SUBTOTAL	87,061	85,913	94,050	89,323	87,456	22.8%
(as % of total)	23.7%	23.1%	23.8%	23.3%	22.8%	
<u>Dependent Students</u>						
CUNY	64,370	68,764	75,947	74,841	78,430	20.4%
SUNY	117,794	121,955	127,383	122,445	121,821	31.7%
Independent	78,552	77,172	77,612	75,716	74,210	19.3%
Proprietary Degree-Granting Institutions	18,361	17,984	18,884	19,424	18,225	4.7%
Nondegree Business Schools	542	733	767	751	557	1.5%
All Other Institutions	92	100	106	108	102	2.7%
Chapter XXII TAP schools	0	0	0	0	3,170	8.3%
SUBTOTAL	279,711	286,708	300,699	293,285	296,515	77.2%
(as % of total)	76.3%	76.9%	76.2%	76.7%	77.2%	
<u>All Students</u>						
CUNY	82,710	86,730	95,650	94,071	98,238	25.6%
SUNY	147,570	152,345	161,960	155,221	153,549	40.0%
Independent	98,499	96,193	96,992	91,342	89,292	23.3%
Proprietary Degree-Granting Institutions	35,516	34,338	36,768	38,288	35,688	9.3%
Nondegree Business Schools	2,282	2,783	3,129	3,448	2,959	7.7%
All Other Institutions	195	232	250	238	220	0.6%
Chapter XXII TAP schools	0	0	0	0	4,025	10.5%
TOTAL	366,772	372,621	394,749	382,608	383,971	100.0%

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

Table 9
Aid for Part-Time Study (APTS) Program Recipients

By Type of Institution					
	Academic Year				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
CUNY 4-Year	7,099	6,451	5,890	5,375	4,512
CUNY 2-Year	5,098	4,319	3,828	4,797	5,092
CUNY TOTAL	12,197	10,770	9,718	10,172	9,604
SUNY 4-Year	971	1,088	1,006	977	842
SUNY 2-Year	5,482	5,163	5,100	4,717	5,121
SUNY TOTAL	6,453	6,251	6,106	5,694	5,963
Independent Colleges	1,841	1,764	1,788	1,733	1,726
Degree Proprietary	402	366	350	509	428
GRAND TOTAL	20,893	19,151	17,962	18,108	17,721

Table 10
Aid for Part-Time Study (APTS)
Actual Expenditures for Reimbursement of Awards

	By Type of Institution				
	Academic Year (\$ thousands)				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
CUNY 4-Year	\$2,378	\$1,949	\$2,457	\$1,762	\$2,232
CUNY 2-Year	\$1,779	\$1,486	\$1,662	\$1,572	\$2,653
CUNY TOTAL	\$4,157	\$3,435	\$4,119	\$3,334	\$4,885
SUNY 4-Year	\$1,085	\$1,247	\$1,142	\$1,050	\$946
SUNY 2-Year	\$4,806	\$4,450	\$4,436	\$4,289	\$4,534
SUNY TOTAL	\$5,891	\$5,697	\$5,578	\$5,338	\$5,480
Independent Colleges	\$1,670	\$1,587	\$1,633	\$1,492	\$1,568
Degree Proprietary	\$314	\$309	\$317	\$404	\$366
GRAND TOTAL	\$12,032	\$11,028	\$11,647	\$10,568	\$12,299

Table 11
Number of Scholarships and Awards

	<u>Academic Year</u>				<u>Estimated</u>
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Scholarships					
NYS Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers	81	83	70	74	73
Regents Health Care Opportunity Scholarship	33	33	18	0	0 ¹
Regents Professional Opportunity Scholarship	442	362	178	0	0 ¹
Robert C. Byrd Honors Scholarships *	1,558	1,594	1,633	1,774	361
NYS World Trade Center Memorial Scholarship	377	489	622	644	730
NYS Volunteer Recruitment Service Scholarship	593	593	367	0	0 ¹
NYS Scholarships for Academic Excellence	16,800	16,824	16,764	16,136	16,017
Military Service Recognition Scholarship	14	17	19	34	56
Senator Patricia K. McGee Nursing Faculty Scholarship	50	58	95	59	74 ³
Flight 587 Memorial Scholarship	16	23	23	30	29
Flight 3407 Memorial Scholarship	0	0	6	3	5
NYS Math & Science Teaching Incentive Scholarship	236	260	219	185	160
New York Lottery - Leaders of Tomorrow Scholarship	0	3,366	3,596	2,549	1,753
SUBTOTAL	20,200	23,702	23,610	21,488	19,258
Awards					
NYS Aid for Part-Time Study	20,893	19,151	17,962	18,108	17,721
NYS Regents Awards for Children of Deceased and Disabled Veterans	392	411	464	427	413
Regents Physician Loan Forgiveness Program	80	76	73	0	68 ²
Veterans Tuition Awards	1,217	2,093	2,147	2,116	2,128
Loan Forgiveness for Nursing Faculty	40	49	69	0	67 ⁴
Loan Forgiveness for Licensed Social Workers	138	135	130	151	153
Loan Forgiveness for District Attorneys	422	389	581	705	758
John R. Justice Student Loan Repayment Program *	0	0	0	124	102
SUBTOTAL	23,182	22,304	21,426	21,631	21,410
TOTAL	43,382	46,006	45,036	43,119	40,668

* 100 percent federally-funded program .

(1) The 2011-12 NYS Budget authorized payment for the 2010-11 and 2011-12 Loan Forgiveness awards and allowed other programs to sunset. Prior-year payments will be made within the 2011-12 fiscal year.

(2) The 2011-12 NYS Budget authorized payment for the 2009-10 and 2011-12 Loan Forgiveness awards and allowed other programs to sunset. The 2010-11 yr. was never authorized and no new awards were accepted for that time period.

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

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

Table 12
Amount of Scholarships and Awards

	<u>Academic Year (\$thousands)</u>				<u>Estimated</u>
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Scholarships					
NYS Memorial Scholarships for Families of Deceased Firefighters, Volunteer Firefighters, Police Officers, Peace Officers and Emergency Medical Service Workers	\$950	\$936	\$826	\$845	\$984
Regents Health Care Opportunity Scholarship	330	325	172	0	0 ¹
Regents Professional Opportunity Scholarship	1,532	1,191	585	0	0 ¹
Robert C. Byrd Honors Scholarships *	2,294	2,344	2,397	2,609	327
NYS World Trade Center Memorial Scholarship	4,754	6,344	8,283	8,702	10,224
NYS Volunteer Recruitment Service Scholarship	1,769	1,884	1,283	0	0 ¹
NYS Scholarships for Academic Excellence	11,910	11,827	11,412	10,642	10,984
Military Service Recognition Scholarship	185	206	230	402	687
Senator Patricia K. McGee Nursing Faculty Scholarship	640	882	1,450	748	1,031 ³
Flight 587 Memorial Scholarship	198	270	241	299	283
Flight 3407 Memorial Scholarship	0	0	86	37	74
NYS Math & Science Teaching Incentive Scholarship	1,014	1,172	1,038	883	814
New York Lottery - Leaders of Tomorrow Scholarship	0	3,605	3,992	2,931	1,935
SUBTOTAL	\$25,576	\$30,986	\$31,995	\$28,098	\$27,343
Awards					
NYS Aid for Part-Time Study	\$12,032	\$11,028	\$11,647	\$10,568	\$12,299
NYS Regents Awards for Children of Deceased and Disabled Veterans	150	156	180	160	175
Regents Physician Loan Forgiveness Program	800	1,520	0	0	680 ²
Veterans Tuition Awards	1,838	6,221	6,107	5,916	6,511
Loan Forgiveness for Nursing Faculty	275	334	517	0	513 ⁴
Loan Forgiveness for Licensed Social Workers	859	810	799	950	964
Loan Forgiveness for District Attorneys	1,425	1,316	1,974	2,373	2,571
John R. Justice Student Loan Repayment Program *	0	0	0	470	216
SUBTOTAL	\$17,379	\$21,385	\$21,224	\$20,437	\$23,929
TOTAL	\$42,955	\$52,371	\$53,219	\$48,535	\$51,272

* 100% Federally-funded program.

(1) The 2011-12 NYS Budget authorized payment for the 2010-11 and 2011-12 Loan Forgiveness awards and allowed other programs to sunset. Prior-year payments will be made within the 2011-12 fiscal year.

(2) The 2011-12 NYS Budget authorized payment for the 2009-10 and 2011-12 Loan Forgiveness awards and allowed other programs to sunset. The 2010-11 yr. was never authorized and no new awards were accepted for that time period.

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

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

ACCESS & AFFORDABILITY: PAYING FOR COLLEGE

Federal Student Loans

HESC has maintained its commitment to New York State students and institutions of higher education through a pivotal year of change in the federal student loan program.

In July 2010, the Health Care and Education Reconciliation Act of 2010 ended the origination of new federal student loans under the Federal Family Education Loan Program (FFELP). However, HESC has continued its commitment to FFELP default prevention, default rehabilitation, financial literacy, and outreach services to students, families and schools.

Default Prevention

The federal student loan cohort default rate – or percentage of students entering into repayment on their federal student loans in a particular fiscal year and who default before the end of the next fiscal year – has climbed, nationally, from 6.7 percent in 2007 to 8.8 percent in 2009 and 9.1 percent in 2010. During the same period, the default rate on FFELP loans guaranteed by HESC has declined, from 8.2 percent in 2007 to 7.5 percent in 2009 and 7.4 percent in 2010.

HESC's success in reducing the default rate among its borrowers is attributable in large part to its emphasis on borrower contact, using communication methods that include mail, email, and a state-of-the-art dialer system which enabled staff to make over 1.6 million calls to students. HESC representatives also answered 49,124 incoming calls from borrowers seeking default prevention assistance.

Upon contacting delinquent borrowers, HESC employs efforts such as three-way conversations with the student and lender or counseling on payment plan options to resolve the delinquency, such as Income-Based-Repayment (IBR), deferments and forbearance.

Rehabilitating Student Loans

In 2011-12, HESC successfully rehabilitated \$206 million in student loans, helping more than 12,400 student loan borrowers repair their credit and get their loans out of default. This represents a 26.4 percent increase in rehabilitations from the 2010-11 fiscal year. The in-house default recovery system implemented in 2009 continues to help HESC identify candidates that not only meet the eligibility requirements of the program but are best suited to realize the benefits of loan rehabilitation. As a result, collection representatives and managers are now better able to track and advise borrowers who are eligible for rehabilitation and effectively minimize the risk of borrowers returning to default.

HESC Ombudsman: Guiding Borrowers to Solutions

Working with the U.S. Department of Education's Federal Student Aid (FSA) Ombudsman, HESC's Ombudsman helped resolve issues confronted by hundreds of New Yorkers concerning their federal loans. Each problem is tracked and resolved on a case-by-case basis, with utmost concern placed on the interests of the students and borrowers.

Table 13
Grants and Scholarships Administered by HESC

Grants and Scholarships	Academic Year (\$ thousands)				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	2011-12
Tuition Assistance	\$794,248	\$813,914	\$902,511	\$857,718	\$920,100
Other Grants and Scholarships	42,955	52,371	53,219	48,535	51,272
TOTAL	\$837,203	\$866,285	\$955,730	\$906,253	\$971,372
Percent Change from Prior Year	-3.7%	3.5%	10.3%	-5.2%	7.2%

Table 14
Applications Received and Processed

	For Each Academic Year				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>Estimated</u> <u>2011-12</u>
GRANT AND SCHOLARSHIP TOTAL	616,000	646,000	712,500	662,000	647,000
Percent Change from Prior Year	1.0%	4.9%	10.3%	-7.1%	-2.3%

Table 15A
Student Loans Guaranteed

Federal Stafford Loans (Subsidized and Unsubsidized) and Federal PLUS Loans

State Fiscal Year	Number	Amount (\$ thousands)	Average
2007-08	594,579	\$3,211,070	\$5,401
2008-09	711,026	\$3,706,468	\$5,213
2009-10	642,297	\$3,439,860	\$5,356
2010-11	*	24,831	\$85,081
2011-12	0	\$0	\$0

* Reflects only first quarter of loan guarantee activities.

Beginning July 1, 2010, all federal student loans are administered through the Direct Stafford Loan program.

Table 15B
Student Loans Guaranteed

Federal Consolidation Loans

State Fiscal Year	Number	Amount (\$ thousands)	Average
2007-08	15,196	\$467,727	\$30,780
2008-09	444	\$23,851	\$53,718
2009-10	96	\$2,335	\$24,323
2010-11	*	41	\$905
2011-12	0	\$0	\$0

* Reflects only first quarter of loan guarantee activities.

Beginning July 1, 2010, all federal student loans are administered through the Direct Stafford Loan program.

Table 16
Number of Student Loans Guaranteed by Program

	State Fiscal Year				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
<u>Program</u>					
Federal Consolidation Loans	15,196	444	96	41	0
Percent Change From Prior Year	-79.6%	-97.1%	-78.4%	-57.3%	-100.0%
Federal PLUS Loans	51,179	52,221	51,283	1,981	0
Percent Change From Prior Year	-1.4%	2.0%	-1.8%	-96.1%	-100.0%
Federal Stafford Loans	324,333	337,029	291,271	11,292	0
Percent Change From Prior Year	4.6%	3.9%	-13.6%	-96.1%	-100.0%
Unsubsidized Federal Stafford Loans	219,067	321,776	299,743	11,558	0
Percent Change From Prior Year	0.2%	46.9%	-6.8%	-96.1%	-100.0%
TOTAL	609,775	711,470	642,393	24,872	0
Percent Change From Prior Year	-6.9%	16.7%	-9.7%	-96.1%	-100.0%

Table 17
Amount of Student Loans Guaranteed by Program

	State Fiscal Year (\$ thousands)				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
<u>Program</u>					
Federal Consolidation Loans	\$467,727	\$23,851	\$2,335	\$905	\$0
Percent Change From Prior Year	-71.2%	-94.9%	-90.2%	-61.2%	-100.0%
Federal PLUS Loans	708,323	789,349	823,556	14,779	0
Percent Change From Prior Year	3.3%	11.4%	4.3%	-98.2%	-100.0%
Federal Stafford Loans	1,373,761	1,432,096	1,250,138	34,042	0
Percent Change From Prior Year	12.0%	4.2%	-12.7%	-97.3%	-100.0%
Federal Stafford Unsubsidized Loans	1,128,986	1,485,023	1,366,166	36,260	0
Percent Change From Prior Year	6.9%	31.5%	-8.0%	-97.3%	-100.0%
TOTAL	\$3,678,797	\$3,730,319	\$3,442,195	\$85,986	\$0
Percent Change From Prior Year	-19.9%	1.4%	-7.7%	-97.5%	-100.0%

Table 17A
EFT Escrow Service

	State Fiscal Year (\$ thousands)									
	2007-08		2008-09		2009-10		2010-11		2011-12	
	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	442,930	\$879,220	312,818	\$719,864	277,721	\$647,108	13,687	\$24,495	0	\$0
Percent Change From Prior Year	14%	10%	-29%	-18%	-11%	-10%	-95%	-96%	-100%	-100%
Unsubsidized Federal Stafford Loans	313,559	\$733,179	331,402	\$797,982	297,062	\$741,497	13,268	\$27,198	0	\$0
Percent Change From Prior Year	10%	5%	6%	9%	-10%	-7%	-96%	-96%	-100%	-100%
Federal Plus Loans	73,691	\$488,355	62,663	\$500,160	61,118	\$509,580	1,859	\$9,304	0	\$0
Percent Change From Prior Year	9%	3%	-15%	2%	-2%	2%	-97%	-98%	-100%	-100%
NYS 529 College Savings Program	6,800	\$37,790	4,573	\$22,510	3,737	\$19,878	3,317	\$19,304	3,491	\$20,395
Percent Change From Prior Year	-36%	-41%	-33%	-40%	-18%	-12%	-11%	-3%	5%	6%
Alternative Loans	56,061	\$299,681	42,114	\$252,218	19,105	\$123,204	19,990	\$128,105	19,812	\$130,102
Percent Change From Prior Year	-4%	-8%	-25%	-16%	-55%	-51%	5%	4%	-1%	2%
Non-HESC Guaranteed Loans	2,719	\$6,858	5,618	\$15,449	7,370	\$21,434	164	\$430	0	\$0
Percent Change From Prior Year	-9%	-11%	107%	125%	31%	39%	-98%	-98%	-100%	-100%
Total	895,760	\$2,445,083	759,188	\$2,308,183	666,113	\$2,062,701	52,285	\$208,836	\$23,303	\$150,497

Table 18
Student Loans Outstanding

State Fiscal Year	Amount Outstanding (\$ thousands)	Number of Borrowers	Number of Loans	Amount (\$ thousands)	Percent
2007-08	\$22,306,451	1,799,523	2,630,512	\$1,096,231	5.2%
2008-09	\$23,772,418	1,820,588	2,756,370	\$1,465,967	6.6%
2009-10	\$22,930,450	2,151,049	3,144,104	(\$841,968)	-3.5%
2010-11	\$18,734,001	2,113,396	3,006,728	(\$4,196,449)	-18.3%
2011-12	\$17,008,852	1,377,433	2,031,703	(\$1,725,149)	-9.2%

Table 19
Default Cohort and Trigger Rates

	Federal Fiscal Year Ended September 30				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
HESC's Cohort Default Rate *	8.2%	7.9%	7.5%	7.4%	*
National Default Cohort Rate	6.7%	7.0%	8.8%	9.1%	*
HESC's Default Trigger Rate **	1.42%	1.60%	1.93%	1.86%	1.59%

* The Cohort Default Rate is the percentage of student borrowers who enter into repayment in a given federal fiscal year (denominator) and default within the same federal year or the next federal fiscal year (numerator). Because of the nature of this calculation, the rates for this year will not be available until September 2013. Note that the 2007 HESC rate is artificially inflated due to a shift in consolidation loans by a major lender, which reduced the denominator.

** 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.

Table 20
Defaulted Purchases and Collections Activities

	State Fiscal Year (\$ thousands)				
	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Defaulted Loans Purchased	\$464,115	\$492,255	\$557,113	\$581,761	\$612,877
Outstanding Balance of Defaulted Loans	\$2,247,425	\$1,872,463	\$1,928,903	\$2,057,359	\$2,158,438
Regular Collections	\$149,252	\$143,319	\$135,888	\$127,545	\$128,749
Amount Consolidated*	\$85,373	\$104,679	\$123,452	\$161,239	\$204,153
Amount Rehabilitated*	\$181,401	\$120,620	\$109,517	\$163,035	\$205,994
Total Recoveries	\$3,127,566	\$2,733,336	\$2,854,873	\$3,090,939	\$3,310,211
* The Collection, Consolidated and Rehabilitated amounts include principal, interest and collection fees.					
	Collection Revenues				
Revenue Collections	\$29,546	\$23,290	\$22,010	\$20,618	\$20,742
Revenue Consolidated*	\$7,172	\$8,825	\$10,413	\$13,611	\$17,250
Revenue Rehabilitated*	\$65,045	\$41,131	\$28,231	\$44,659	\$58,527
Total Collection Related Revenue	\$101,763	\$73,246	\$60,654	\$78,888	\$96,519

ACCESS & AFFORDABILITY THROUGH OUTREACH TO STUDENTS, FAMILIES AND COUNSELORS

HESC is committed to empowering students with the tools and information they need to choose a college and career through its outreach activities. Arming students with information on planning and paying for college has also been shown to have positive effects on both postsecondary education decisions and college retention.

FAFSA Completion

A significant percentage of families nationwide do not complete the Free Application for Federal Student Aid (FAFSA), and are therefore not considered for federal, state or institutional aid to finance their college costs. During 2011-12, HESC promoted completion of the FAFSA through participation in the national College Goal Sunday program and a statewide Financial Aid Awareness program.

College Goal Sunday

HESC's activities to assist students and families in completing the FAFSA continued in 2011-12 with College Goal Sunday (CGS), a volunteer program with a focus on helping low-income students and families apply for financial aid to fund their postsecondary education costs. In 2011-12, CGS assisted over 1,300 New York State students and families in completing the FAFSA at 25 sites statewide during the one-day national event.

Student Financial Aid Awareness Month

New York State Student Financial Aid Awareness Month (SFAAM) seeks to increase FAFSA completion among New York State families during the period in which families are accessing their tax information — January 25 to February 25.

During the 2012 SFAAM campaign, students and families were informed about and educated on all the financial aid opportunities available to them during financial aid information days, financial aid basics seminars, and Complete-the-FAFSA workshops held at schools and local community centers across the State. Students and families who were unable to attend a local event received timely information through weekly FAFSA assistance telephone and email hotlines or from the campaign's website, StartHereGetThere.org, where they could access a FAFSA tutorial, videos, and financial aid tips.

HESC also continued to partner with the Office of Temporary and Disability Assistance, the Internal Revenue Service and the CASH Coalition of the Greater Capital Region to expand SFAAM services to include tax preparation assistance, a necessary step before completing the FAFSA, to qualified low-income families. Families earning less than \$49,000 were assisted by certified tax preparation volunteers in completing and filing their tax returns and local college financial aid administrators assisted with the FAFSA completion at a pilot event in Albany.

Student Outreach

HESC connects directly with students and families through a vigorous statewide outreach program. In 2011-12, HESC's Pre-College Services staff interacted with over 50,000 students and families at more than 70 college fairs and other outreach events throughout the State. These events provided opportunities for students and families to receive immediate responses to their individual college financial aid questions through face-to-face contact, and general information relevant to all their college financing through distribution of HESC publications.

High School Counselor Outreach and Support

High school students rely heavily on their school guidance counselors for direction, advice and guidance in choosing their college and career paths, including advice on college admissions requirements and financial aid. Through HESC's multi-faceted counselor outreach program, these professionals are provided with essential and timely information needed to keep students and their parents informed about preparing and paying for college.

To support the work of high school counselors, in 2011-12, HESC offered on-site training for counselors from secondary schools, community organizations, other state agencies, county labor departments, foster care agencies, faith-based organizations and others involved in helping students overcome challenges to accessing college, and coordinated and conducted presentations on college financing options during high school financial aid night presentations and at public workshops.

In fall 2011, HESC expanded on its prior year success by providing professional development training to middle and high school counselors at College Access and Financial Aid Training workshops held at eight urban and rural sites across the State. These one-day workshops provided guidance counselors with information on obtaining financial aid for college, completing the college application process and career exploration programs, with a focus on special circumstances, such as non-traditional families, the homeless, and families facing residency issues. To supplement these events, HESC's Counselors' E-News, a quarterly electronic newsletter, provided counselors with timely college access, financial aid, and literacy topics.

Answering Questions through the Customer Communication Center

HESC remains committed to providing courteous, knowledgeable customer service to New York State students and families seeking information about financial aid. HESC's Customer Service Call Center assisted approximately 174,048 grant, scholarship, loan, loan-forgiveness and general inquiry callers in 2011-12. Email inquiries grew by nearly 300 percent from the previous year to 20,636. Inquiries from more than 70 "walk-in" students were also handled by the Customer Communications Center.

Social Media

As social media continues to grow as the method through which students seek news and information, HESC continued to increase its visibility and provide information through popular and highly-used formats, including HESC's Facebook page, "New York Student Financial Aid;" HESC's YouTube channel, "NYSSStudentAid;" and HESC's Twitter page, "@NYStudentFinAid."

Financial Aid Programs for New York State Students

Grants and Scholarships

Name of Program	Description of Program	2011-12 Accomplishments
Tuition Assistance Program (TAP)	Need-based grant program for full-time students. Provides up to \$5,000/year to students who qualify.	Provided \$920.1 million in grants to more than 384,000 students.
NYS Aid for Part-Time Study (APTS)	Provides up to \$2,000/year for part-time students who meet income eligibility limits.	Provided nearly \$12.3 million in aid to more than 17,000 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 \$10.9 million in scholarships to 16,017 students.
Robert C. Byrd Honors Scholarships	Up to \$1,500 in federal scholarship money for academically talented high school students.	Awarded more than \$327,000 in scholarships to 361 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 \$984,182 in scholarships to 73 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 \$174,880 to 413 students.
Veterans Tuition Awards	Provides up to \$1,000/semester (\$500/semester for part-time study) to Vietnam, Persian Gulf, or Afghanistan veterans in college or in an approved vocational training program in New York State.	Awarded nearly \$6.5 million to 2,128 students.

Financial Aid Programs for New York State Students

Grants and Scholarships (Cont'd.)

Name of Program	Description of Program	2011-12 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 \$10.2 million to 730 students.
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 \$686,597 in scholarships to 56 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 \$1.0 million in scholarships to 74 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 \$282,654 in scholarships to 29 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 \$73,692 in scholarships to 5 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 more than \$814,000 scholarships to 160 students.
New York Lottery - Leaders of Tomorrow Scholarship	The New York Lottery – Leaders of Tomorrow Scholarships are awarded to one student from every public and non-public school with experience in extracurricular activities and community service and who has demonstrated leadership skills. For study in New York State.	Awarded more than \$1.9 million scholarships to 1,753 students.

Financial Aid Programs for New York State Students

Loan Forgiveness Scholarships Programs

Name of Program	Description of Program	2011-12 Accomplishments
Regents Physician Loan Forgiveness Program	Provides payment of loans for physicians who practice medicine in shortage areas of New York State.	Forgave \$680,000 in loans for 68 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.	Paid \$513,000 to 67 licensed registered nurses.
NYS Licensed Social Worker Loan Forgiveness Program	The maximum award under this program will be \$26,000 or the applicant's eligible student loan indebtedness at the time they apply, whichever is less. Awards will be paid in annual disbursements for each period of qualified service. Annual disbursements will be equal to \$6,500 or their remaining loan indebtedness.	Paid \$964,000 to 153 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 \$2.5 million to 758 eligible district attorneys.
John R. Justice Student Loan Repayment Program	The JRJ is a federal program that provides for the repayment of eligible educational loans on behalf of certain state and federal prosecutors and public defenders. Annual payment amounts are dependent on the availability of federal funds for that year. The maximum lifetime total an eligible attorney may receive under the JRJ Program is \$60,000, or the current total of their eligible student loan debt, whichever is less. The estimated annual award payment for the 2010 series is \$3,790.	Paid \$216,045 to 102 eligible federal prosecutors and public defenders.

Financial Aid Programs for New York State Students

Loan-Related Programs

Name of Program	Description of Program	2011-12 Accomplishments
Default Aversion Assistance Request (DAAR)	Lenders ask HESC to help resolve problems which borrowers have making their payments.	Received and resolved more than 621,900 DAARs for more than \$4.7 billion.
Rehabilitation Loan Program	Allows borrowers who have made 9 consecutive payments to have their loans removed from default.	Rehabilitated \$206 million in loans for more than 12,000 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 542 borrowers.
Smart Pay Program	Allows borrowers with defaulted loans to have their payments deducted from their bank accounts.	Received 3,825 payments from borrowers who took advantage of this repayment method and paid more than \$672,000.

Financial Aid Programs for New York State Students

Pre-College Services

Name of Program	Description of Program	2011-12 Accomplishments
New York's 529 College Savings Program	Tax-advantaged savings program to help parents save for college expenses.	More than 680,000 accounts with a total value of more than \$13 billion have been established through the program's 14th year. More than \$3 billion has been disbursed.
NYGEAR UP	Need-based support program for at-risk high school students. Local school district, college and community-based organization partnerships provide comprehensive college preparation services.	During the 2011-2012 school year, NYGEAR UP was granted a one year, no cost extension and its State partners continued to provide comprehensive and intensive services at 6 local partnership sites serving 479 students and their families who remained in the program and graduated from high school after June, 2012.
College Access Challenge Grant (CACG) Program	HESC is New York's lead agency for the federal College Access Challenge Grant (CACG) Program. The overall goal of the New York's CACG program is to increase the number of low-income, minority, and underserved students who are prepared to apply for, and succeed in college, with a priority on families below the poverty level.	In 2011, HESC was awarded \$7 million in CACG funds. Through its state partners and sub-grantees, NY CACG served students on a state, local and/or regional level. In 2011-12, over 65,000 students participated in CACG activities or received CACG services.



New York State Higher Education Services Corporation

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