

New Jersey
Higher Education Student Assistance Authority
2021 Annual Report

CHAMPIONING STUDENT SUCCESS





Message from NJ Governor Philip D. Murphy

I am pleased to recognize the good work of the New Jersey Higher Education Student Assistance Authority (HESAA) in 2021.

My Administration is committed to making New Jersey the place where everyone willing to work hard can achieve their American Dream, by making New Jersey the State of Opportunity. With help from HESAA's college access and affordability initiatives, we are moving our state forward, creating opportunity for every family, and making New Jersey more affordable.

Supporting New Jersey's students is a core element of my administration's initiatives to make our economy stronger and fairer by investing in the people of our state. As we help our residents earn a high-quality postsecondary degree, we not only advance individual aspirations, but also build the knowledge-based workforce that is the engine for New Jersey's economy.

Over the past year, HESAA advanced our statewide goal of making New Jersey more affordable by expanding access to more students and providing the resources necessary to afford a college education in the Garden State. To bring postsecondary education within reach for students at both our county colleges and senior public universities, HESAA is playing a central role in implementing New Jersey's College Promise, coordinating the Community College Opportunity Grant with the new Garden State Guarantee to offer a tuition-free pathway to a college degree to tens of thousands of students.

The budget I proudly signed in June 2021 made a landmark investment to expand Tuition Aid Grants, significantly boosting these vital need-based aid awards so every New Jerseyan, regardless of life circumstances, can have the opportunity to obtain a high-quality credential that prepares them for life after college. In addition, the College Affordability Act that I signed into law last year created new tax deductions and matching grants to help families save to send a child to college, mitigate the cost of tuition bills, and help graduates get a fresh start in life without the crushing burden of student loans.

By reaching more students with increased support, HESAA is helping make New Jersey the State of Opportunity.

Sincerely,


Philip D. Murphy
Governor





Message from Executive Director David J. Socolow

It is an honor to salute the dedicated HESAA staff for their heroic efforts to serve New Jersey's students and families. As detailed in this report, last year HESAA's team performed admirably in continuing to deliver high-quality services despite the challenges from the pandemic.

In 2021 Governor Murphy signed a law codifying Community College Opportunity Grants (CCOG) into permanent law. From a 2019 pilot project, CCOG has grown to become the first segment of New Jersey's tuition-free College Promise, in tandem with the new Garden State Guarantee. The clear price guarantees of the College Promise help dispel the "sticker shock" of published tuition rates that deter some students from even considering college – attracting tens of thousands of adult learners to return and complete their degrees and encouraging recent high school graduates to begin their academic journey.

Last year Governor Murphy and the Legislature agreed on an historic funding increase for Tuition Aid Grants (TAG), the nation's most generous State-funded, need-based financial aid program. Through this additional funding, HESAA improved parity among students' Academic Year 2021-22 award amounts, by increasing TAG amounts for all students and correcting disparities among the award amounts for students with equal levels of financial need who enroll at different senior public institutions.

The New Jersey College Affordability Act of 2021 created several new programs to help students and families save and pay for college and avoid student loan debt. HESAA now offers a matching grant to boost the initial savings of eligible New Jersey families when they open a new NJBEST account. This law also established New Jersey State income tax deductions for NJBEST contributions, tuition payments to a college or university in New Jersey, and NJCLASS loan repayments. Also last year, HESAA doubled the amount of scholarships, up to \$3,000, awarded to NJBEST account beneficiaries enrolled at a college or university in New Jersey.

To assist students exploring their postsecondary choices, HESAA recently launched a new way to reach high school seniors who have not yet completed a financial aid application. Authorized school district staff can now check their roster of 12th graders against HESAA records to see in near-real time which students have not yet completed an application and give those students reminders about the value of applying for financial aid. This is just the latest example of HESAA's efforts to provide students and families information about college financing options and help them make informed decisions about their life and career choices.

Sincerely,

A handwritten signature in black ink that reads "David J. Socolow". The signature is fluid and cursive, written in a professional style.

David J. Socolow
Executive Director



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Governor Murphy Launches the New Jersey College Promise



In February 2021, Governor Murphy signed the Community College Opportunity Grant into law.



In June 2021, he approved the Fiscal Year 2022 Appropriations Act, which includes the Garden State Guarantee.

Governor Murphy announced New Jersey's College Promise in 2021 to advance the mission of expanding college access to all New Jersey students, by including the Garden State Guarantee (GSG) in the Fiscal Year 2022 Appropriations Act signed into law in 2021.

The first segment of New Jersey's College Promise is the Community College Opportunity Grant, now in its third successful year of expanding access and increasing affordability for eligible students pursuing an Associate's degree. The next stage of the College Promise will begin in fall 2022, when the Garden State Guarantee will offer a \$0 net price of tuition and fees to tens of thousands of eligible students continuing their studies toward a bachelor's degree at a senior public college or university. The GSG provides a last-dollar guarantee for the third and fourth year of a student's undergraduate academic program at a senior public institution in New Jersey, regardless of whether they started their studies at the same school, or transferred in from a community college or another four-year school.

In tandem, these two programs offer a four-year pathway to a tuition-free bachelor's degree for New Jersey students whose families have an

adjusted gross income (AGI) between \$0 and \$65,000. For students from families with incomes above \$65,000 and up to \$80,000, the Garden State Guarantee also offers a predictable net price for tuition and fees of no more than \$7,500 per year (which is approximately half of the typical \$15,000 price of in-state undergraduate tuition and fees at senior public colleges and universities).

To learn more about the Community College Opportunity Grant, click [here](#).



To learn more about the Garden State Guarantee, click [here](#).



To apply for New Jersey financial aid, click [here](#).



New Jersey College Affordability Act Expands NJ BEST 529 College Savings Benefits

To make college more affordable for New Jersey's working families, in June 2021 Governor Murphy signed the New Jersey College Affordability Act that was championed by Assembly Speaker Craig Coughlin and Assembly Higher Education Committee Chair Mila Jasey and unanimously approved by the Legislature. This new law encourages savings toward future college costs, provides tax relief for those paying tuition, and assists with the repayment of NJCLASS loans.

Starting with the 2022 tax year, families with a gross income of \$200,000 or less can claim tax deductions on their New Jersey income taxes for contributions to the tuition costs at New Jersey colleges and universities, payments toward NJCLASS family loans, and NJBEST 529 College Savings Plan.

- **Tuition Costs at New Jersey Higher Education Institutions**

Up to \$10,000 in tuition paid for any New Jersey tax filer, their spouse, or their dependent who enrolls in and attends a New Jersey institution of higher education, can be deducted on a taxpayer's New Jersey income tax return.

- **Principal and Interest Paid on NJCLASS Family Loans**

Up to \$2,500 in payments toward the principal and interest on New Jersey College Loans to Assist State Students (NJCLASS) is also deductible.



- **Contributions to a New Jersey Better Educational Savings Trust (NJBEST)**

Up to \$10,000 of contributions to an NJBEST 529 College Savings account are now deductible from New Jersey state income taxes.



The College Affordability Act also created a valuable new benefit to further encourage college savings. Eligible New Jersey families funding a new NJBEST account can receive **dollar-for-dollar matching grants** to boost their savings. This one-time grant matches up to \$750 of the initial investment into a new NJBEST account opened as of June 2021 by an account owner with a household adjusted gross income between \$0 and \$75,000. A new NJBEST 529 College Savings account can be opened with as little as \$25.

When NJBEST account beneficiaries go on to enroll at a New Jersey college or university, they can apply for a **one-time scholarship**. In 2021, HESAA updated its regulations to double the amount of the NJBEST scholarship, up to \$3,000 for eligible student beneficiaries of a NJBEST account that received contributions of at least \$300 per year for at least four years.

To learn more about all the NJBEST state tax savings, increased scholarships, and generous matching grant, click [here](#).

For the full details of the New Jersey College Affordability Act, click [here](#).



New Jersey's Tuition Aid Grant Supports a Record-High Number of Students



New Jersey's Tuition Aid Grant (TAG) program leads the nation as the most generous, need-based state grant to help low- and moderate-income students pay for college.

In 2021, Governor Murphy and the Legislature provided additional funding to expand TAG, promoting access for all New Jersey students who want to earn a postsecondary degree. The Fiscal Year 2022 Appropriations Act signed into law by Governor Murphy on June 29, 2021 increased funding for TAG by \$35 million. This additional funding enabled HESAA to make college more affordable by significantly increasing the per-student value of TAG's need-based financial aid grants in Academic Year 2021-22 compared with the prior year.

As a result of this 8% funding increase, tens of thousands of students received an additional \$2,000 in their annual TAG awards, enhancing their prospects of academic success and reducing their student loan debt. HESAA used these added resources to increase Academic Year 2021-22 TAG

award amounts and advance parity for thousands of low- and moderate-income students at senior public colleges and universities, while also providing a 2% increase to the TAG award amounts for students at all other institutions.

In Academic Year 2020-21, a record-high total of 83,736 students received a cumulative total of more than \$444 million in TAG awards.



More than one-third of all full-time undergraduate students enrolled in New Jersey institutions benefit from TAG awards. These students attend colleges in all sectors – public, private, two- and four-year degree-granting institutions. To support students' access and choice among a variety of institutions, TAG award amounts vary based on the institution at which students choose to pursue their degree within the Garden State.



Other Financial Aid Grants & Scholarships Administered by HESAA



In addition to Tuition Aid Grants, HESAA offers additional grants and scholarships to help students pay for a postsecondary degree or credential in New Jersey.

Community College Opportunity Grant (CCOG)

Signed into law in February 2021, the program provides a tuition-free guarantee to community college students who enroll in at least six (6) credits per semester and come from households with adjusted gross incomes between \$0 and \$65,000, through a “last-dollar” grant covering any unmet need that remains after all federal, state, or other grants the students receive. In Academic Year 2020-21, a total of 13,062 community college students received a CCOG award.

NJ STARS and STARS II

The New Jersey Student Tuition Assistance Reward Scholarships (NJ STARS and NJ STARS II) support New Jersey high school graduates who rank in the top 15.0% of their class during their junior or senior years of high school and choose to enroll in their local community college after high school graduation. HESAA provides qualifying students NJ STARS awards which fully cover tuition at their local community college. Students are eligible for NJ STARS II awards if they first receive NJ STARS scholarships and graduate from their community college or earn an associate’s degree through an eligible dual enrollment program at their high school, and then transfer to a participating bachelor’s degree-granting college or university in New Jersey. The NJ STARS II scholarship provides \$2,500 per academic year (\$1,250 per semester), for up to four semesters. In Academic Year 2020-21, a total of 2,648 New Jersey high school students earned affordable access to a postsecondary degree through the NJ STARS and NJ STARS II merit scholarships.

Governor’s Urban Scholarship (GUS)

The merit-based Governor’s Urban Scholarship is awarded to students who reside in one of 14 designated municipalities: Asbury Park, Camden, East Orange, Irvington, Jersey City, Lakewood, Millville, New Brunswick, Newark, Paterson, Plainfield, Roselle, Trenton, or Vineland. To earn a scholarship, students must rank within the top 5.0% of their high school class and have a minimum grade point average of 3.0 at the end of their junior year of high school. The award is renewable for up to four years of study at a TAG-participating institution of higher education in New Jersey, and also provides scholarship recipients a persistency bonus in their last semester upon degree completion. In Academic Year 2020-21, a total of 229 students received a total of \$215,257 in GUS awards.

Governor’s Industry Vocations Scholarship (GIVS)

The Governor’s Industry Vocations Scholarships are administered by HESAA and funded by the Schools Development Authority. This scholarship benefits women and students of color pursuing a postsecondary certificate or degree program in a construction-related field. The scholarship awards up to \$2,000 per year for the cost of enrollment in an eligible program at one of New Jersey’s community colleges, county vocational/technical schools, or TAG-eligible proprietary trade schools. In Academic Year 2020-21, a total of 40 students received \$62,139 in Governor’s Industry Vocations Scholarships.





Law Enforcement Officers Memorial Scholarship (LEOM)

The Law Enforcement Officers Memorial Scholarship is available to dependent children of New Jersey law enforcement officers killed in the line of duty. Funded through sales of commemorative license plates, the award covers the cost of attendance, less other scholarships, grants, benefits, and other financial aid awarded by HESAA. Awards are renewable for up to four years. There were 12 recipients of the LEOM scholarship in Academic Year 2020-21, with awards totaling \$359,413.

Survivor Tuition Benefits (STB)

The Survivor Tuition Benefits scholarship supports eligible children and surviving spouses of New Jersey firefighters, emergency service workers, and law enforcement officers killed in the line of duty. The award provides students with free tuition at any public or private institution of high education in New Jersey. The award amount cannot exceed the highest tuition charged at a New Jersey public institution. Originally, this tuition benefit for surviving spouses expired eight years after their spouse’s death. Governor Murphy eliminated the time limit by signing a new law in 2020 that enables surviving spouses to pursue postsecondary education when it is right for them. In Academic Year 2020-21, there were 5 recipients who received a combined total of \$35,996.

World Trade Center Scholarship (WTC)

The World Trade Center Scholarship benefits the dependent children and surviving spouses of New Jersey residents who were victims of the terrorist attacks on September 11, 2001. In the 20 years since that tragic day, more than \$6.1 million in World Trade Center Scholarship awards have supported the education of 445 dependents and spouses of those who lost their lives due to the devastation of 9/11. Many of this year’s scholarship

recipients were infants on September 11, 2021; some were even born a few months after the attacks. The scholarship amount in 2020-2021 was \$5,000 per year (\$2,500 per semester). Eligible students can apply for this funding to attend in-state and out-of-state institutions. In Academic Year 2020-21, 62 students were awarded WTC scholarships for a total of \$285,000.

NJBEST Scholarship

To help encourage early college savings, HESAA offers the NJBEST Scholarship. When NJBEST 529 College Savings Plan account holders use the assets saved through NJBEST to pay for qualified expenses at any accredited postsecondary school in New Jersey, the student beneficiary can apply for a one-time tax-free NJBEST scholarship up to \$3,000. In 2021, HESAA updated its regulations to double the amount of the NJBEST scholarship, up to \$3,000 for eligible student beneficiaries of a NJBEST account that received contributions of at least \$300 per year for at least four years.

Contributions	Full Years Account Open	Scholarship Amount
\$1,200	4	\$1,000
\$1,800	6	\$1,500
\$2,400	8	\$2,000
\$3,000	10	\$2,500
\$3,600	12	\$3,000

In 2021, 479 student beneficiaries were awarded a total of \$636,500 in NJBEST Scholarships at colleges and universities throughout New Jersey.



Loan Redemption Programs Reduce Student Debt Burdens

Primary Care Practitioner

The Primary Care Practitioners Loan Redemption Program promotes equity in access to primary care services by supporting primary care health providers who choose to practice in medically underserved areas of New Jersey, including physicians, dentists, physician assistants, certified nurse practitioners, and certified nurse midwives. This program provides up to \$120,000 in student loan redemption for two to four years of service as a primary care practitioner in areas ranked by the New Jersey Department of Health as experiencing a health professional shortage. State funding for this program is used to match a federal grant from the National Health Service Corps. In fiscal year 2020-21, 27 primary care practitioners received loan redemption through this program.



remain employed as public defenders or prosecutors for at least three years in New Jersey. This program is funded solely through a federal grant from the U.S. Department of Justice, and is offered contingent upon receiving those funds. In fiscal year 2020-21, HESAA applied this federal grant funding to 18 loan repayments of \$2,477 per participating attorney, which included nine public defenders and nine prosecutors.

HESAA Will Administer Two Additional State-funded Programs in the Coming Year

- The **New Jersey STEM Loan Redemption** program will pay up to \$8,000 of the outstanding student loan balance for individuals who graduated with a Science, Technology, Engineering, or Math (STEM) degree from a New Jersey college or university and work full-time in an approved high-growth STEM occupation at a New Jersey employer for between five (5) to (8) years.



Nursing Faculty Loan Redemption Program

The Nursing Faculty Loan Redemption Program helps address the current and projected critical shortage of nursing school faculty in the State of New Jersey. The program offers up to \$50,000 of student loan redemption in exchange for full-time faculty employment at a school of nursing in the State of New Jersey for a five-year period following completion of the approved graduate degree program. In fiscal year 2020-21, five nursing faculty participants received loan redemption through this program.



- The **New Jersey Teacher Loan Forgiveness** program will pay off up to \$20,000 of a newly hired teacher's NJCLASS student loan balances in exchange for a commitment by that teacher to teach for up to four years in high-need fields in eligible New Jersey public schools.



John R. Justice Loan Redemption Program

The John R. Justice Student Loan Repayment Program provides federal loan repayment assistance to eligible state and federal public defenders and state prosecutors who agree to



NJCLASS Family Loans Provide Affordable Financing Options to New Jersey Students



New Jersey students and families often seek supplemental loans to finance the costs of postsecondary education that are not covered by grants and scholarships and exceed the caps on federal Direct Loans for undergraduates. To meet these needs, HESAA is dedicated to strengthening the NJCLASS loan program so it can offer lower interest rates than the cost to most New Jersey’s families for private supplemental loans or federal Parent PLUS loans. Unlike the credit-scored tiers of interest rates on other supplemental loans from private lenders, NJCLASS loans do not charge higher interest rates to borrowers based on their incomes and credit scores – a money-saving feature for the more than one-third of NJCLASS borrowers with incomes between \$40,000 and \$80,000.



NJCLASS loans are available to New Jersey residents for certified costs of attendance, minus financial aid and federal direct loans, at any approved college or university.

To encourage out-of-state students to pursue a degree in New Jersey, NJCLASS loans are also available to students who enroll in a participating New Jersey institution of higher education, no matter where the students and families reside.

Academic Year 2020-21 NJCLASS Loan Volume

County College		State College/University		Proprietary and Technical Schools			
Students	73	Students	772	Students	190		
Amount	\$520,308	Amount	\$8,888,697	Amount	\$2,410,547		
Independent		Public Research Universities		Out-of-State		Total In-School NJCLASS Loans	
Students	785	Students	1,353	Students	3,667	Total Students	6,480
Amount	\$13,051,240	Amount	\$16,378,540	Amount	\$76,058,468	Total Amount	\$117,307,800

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Consolidation & Refi* Loans	
Total Students	675
Total Amount	\$39,544,602

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Total NJCLASS Loan Volume	
Total Students	7,155
Total Amount	\$156,852,402

Each repayment option is subject to available funding. New rates for Academic Year 2022-23 will be available in June 2022.



NJCLASS Refinance and Consolidation Loans Help Borrowers Manage Repayments

ReFi+ Loan Program

The NJCLASS ReFi+ loan assists borrowers who want to lower the total amount spent on repaying their student loans by combining multiple loans into one, single payment with a lower interest rate. The ReFi+ loan's 10-year and 15-year, fixed-rate options are ideal for student loan borrowers whose loans carry the higher interest rates that were prevalent several years ago. NJCLASS, Federal Parent PLUS, and Private Educational Loans are all eligible to be refinanced through this program. Eligibility is based on income, credit score, and debt-to-income ratio. Depending on the selected loan term and credit score, in 2021 HESAA offered interest rates ranging from 2.99 percent to 4.99 percent; rates in 2022 may be higher due to market conditions.



Academic Year 2020-21

Loan Term:	
10-Year Fixed Rate	15-Year Fixed Rate
2.99% ¹	3.30% ¹
3.45% ²	3.99% ²
4.45% ³	4.99% ³
Interest rates based upon credit score: ¹ 780+ ² 720-779 ³ 670-719	

NJCLASS Loan Consolidation

The NJCLASS Consolidation Loan is designed to assist those borrowers with higher NJCLASS debt balances by providing a longer repayment term and lower monthly payments. A consolidation loan may help make payments more manageable for some borrowers by combining several NJCLASS loans into one loan with a single monthly payment.

Borrowers must have at least two NJCLASS loans with an outstanding total minimum balance of \$30,000. NJCLASS Consolidation Loans with balances less than \$60,000 carry a 25-year repayment term and those with larger balances have a 30-year term. The interest rate on an NJCLASS Consolidation Loan is fixed and is based on a weighted average of the underlying NJCLASS loans being consolidated minus 0.50 percent. HESAA applies a 1 percent administrative fee to Consolidation Loans. Deferment and forbearance options are limited and require monthly interest payments.



“Pay It Forward” Creates Affordable Career Pathways for Adult Learners

In June 2021, HESAA received a direct State appropriation of \$5 million to implement the New Jersey Pay It Forward program, a new initiative providing interest- and fee-free loans from a revolving fund to support low-income New Jersey career seekers participating in approved training programs.

Governor Murphy announced this public-private partnership with business leaders from the New Jersey CEO Council, including the CEOs of BD, Campbell Soup Company, Johnson & Johnson, Merck & Co., Prudential Financial, PSEG, RWJ Barnabas Health, and Verizon. New Jersey is the first state in the country to dedicate public resources to a fund of this nature, augmented by significant additional funding from private grants to the Pay It Forward Fund from CEO Council member companies.

The innovative design of the Pay It Forward program will effectively stretch the funding to provide low-income New Jersey career seekers with training opportunities that otherwise would be unattainable due to limited resources. Participants enrolled in approved training programs will receive wrap-around services not already included in tuition, such as career counseling, and they will receive stipends for living expenses. Pay It Forward Loans will pay for the direct costs of attendance, such as tuition, materials, and supplies. Participants will only be required to repay the direct training costs through Pay It Forward Loans. All repayments received from the first cohort of training participants will be deposited into the Fund to finance Pay It Forward Loans, stipends, and wrap-around services for future cohorts of participants.



After completing the training programs, participants will repay their Pay It Forward Loans at zero percent (0%) interest and with zero fees, with monthly repayments determined through an income-based repayment calculation of 10 percent of the participant’s discretionary income in each year after the participant completes the training, and with remaining balances forgiven with no further payments required after five (5) years.

HESAA issued a Request for Proposals in June 2021, and selected Social Finance to serve as Program Manager of the New Jersey Pay It Forward project. The Pay It Forward project’s interagency steering committee is led by the Governor’s office and includes the Economic Development Authority, the Department of Labor and Workforce Development, the Office of the Secretary of Higher Education, the Department of Banking and Insurance, and the Division of Consumer Affairs.

The program is planned to launch in 2022 with an initial group of job training programs, providers, and participants.



HESAA's Statewide Outreach Educates all Stakeholders

Throughout the 2020-21 Academic Year, HESAA provided advice and guidance to more than 150,000 New Jersey families to help them successfully plan, save, and pay for college. The Authority's staff responded to hundreds of thousands of questions from students, families, and financial aid professionals, solving individual problems through virtual communication, email, and phone support.

HESAA also reached nearly 38,000 students and their families through workshops, seminars, presentations, and other external events covering topics such as financial literacy, school counselor training, and assisting students with completion of the Free Application for Federal Student Aid (FAFSA) or the New Jersey Alternative Financial Aid Application.

HESAA provided training to more than 1,200 high school counselors and parent support groups through-out New Jersey. HESAA's financial aid outreach events reached students in all 21 counties, with more than 37,000 participants at more than 550 virtual events sponsored by New Jersey high schools, libraries, community centers, legislators' constituent services conferences, adult learning centers, Upward Bound and GEAR UP events, and college/career fairs.

Nationally, prospective first-year college students' financial aid applications are ranked based on the percentage of each state's high school seniors who complete the FAFSA. **Last year, New Jersey ranked 3rd in the nation, with 68.9% of high school seniors completing the FAFSA by August 27, 2021.** These figures also do not include students who are New Jersey Dreamers and completed the New Jersey Alternative Financial Aid Application.



Assembly Speaker Craig Coughlin (third from right) and HESAA Executive Director David Socolow (second from right) were joined by student leaders from The College of New Jersey after a press conference focused on the New Jersey College Affordability Act. To learn more about the Act, visit page 5.



HESAA Board Members



Message from HESAA Board Chair Christy Van Horn

Throughout 2021, the HESAA Board took action to support the state's robust financial aid programs that enable New Jersey students to earn a postsecondary degree.

While students, faculty, higher education administrators, and the HESAA Board and staff alike all coped with significant challenges during the pandemic, HESAA expanded services to make college more affordable and supported those NJCLASS borrowers who struggled to repay their loans. The work of the Authority makes a vital difference to each student we help along the way to a higher education, and bolsters the overall strength and resilience of New Jersey's civic life and economic capacity by building a more educated population and a well-trained workforce.

I am grateful to each of my fellow Board members for your commitment to helping the students and families of New Jersey through your thoughtful stewardship and guidance of our state's financial aid system.

Sadly, we mourned the passing in July 2021 of our friend and colleague, Nelly Celi, a champion for students and a valued member of the HESAA Board. Nelly was a strong and consistent advocate for literacy and higher education during her remarkable career, including as the leader of the Paterson Reads program at the Paterson Education Fund. Throughout her career and in her role as Chair of the Educational Opportunity Fund (EOF) Board, Nelly worked effectively and passionately to advance student success, especially for first-generation students and underrepresented students of color.

Later in 2021, the Board welcomed Anton Lendor, Esq., the current EOF Board Chair who is now serving as EOF's representative on the HESAA Board.

Finally, my thanks to the HESAA staff for their dedication and diligent resolve, as they delivered excellent service to the public and worked to continuously improve HESAA's programs to meet students' emerging needs during the ever-changing conditions of the global pandemic.

Sincerely,
Christy Van Horn
HESAA Board Chair

Isabella Berdugo-Hernandez
Chair, Student Advisory
Committee
Ex-Officio

Brian Bridges, Ph.D.
Secretary of Higher Education
Ex-Officio

Beatrice Daggett*
Board Vice Chair
Public Member
Secretary-Treasurer

Thyquel M. Halley
Vice Chair,
Student Advisory Committee
Ex-Officio

Jon H. Larson, Ph.D.*
Representative
County Colleges

Anton Lendor, Esq.
Representative
Educational Opportunity Fund
Ex-Officio

Elizabeth Maher Muoio*
State Treasurer
Ex-Officio
Treasurer's Designee
Robert Shaughnessy

Jean McDonald Rash
Representative
Rutgers University

Scott Salmon, Esq.
Public Member

David J. Socolow*
Executive Director, HESAA
Ex-Officio

Christy Van Horn*
Board Chair
Public Member

**Member of Executive Committee*



HESAA Executive and Senior Staff

David J. Socolow
Executive Director

Jerry Traino
Chief Financial Officer

Margo Chaly, Esq.
Chief of Staff

Jennifer Azzarano
Director, Outreach &
Communications

Jean Hathaway
Director, Grants & Scholarships

Ruth Odom
Chief Information Officer

Richard Bates
Associate Director, Customer
Care Solutions

Heidi Hunt
Director, Budget & Financial
Analysis

Lorraine Palmer
Associate Director, Student
Loan Programs

Gregory Foster, Esq.
Chief Compliance Officer
and Ombudsman

Ronald Leven
Deputy Chief Information Officer

Arthur Quaranta, CPA
Controller

David Gillespie
Director, Student Loans

André Maglione
Associate Director, Outreach &
Communications

Jill Schmid
Director, Audits and Quality
Assurance

Marnie Grodman, Esq.
Director, Legal and
Government Affairs

Patricia Maske
Director, Human Resources

Cayla Sekuler
Deputy Chief of Staff

Thank You and Best Wishes to Recent HESAA Retirees!

Anna Maldonado served as a Customer Care Representative on HESAA's Client Services team for nearly **37 years**; always helpful to students and families who often shared messages of appreciation for Anna's courteous and thorough support.

Sandy Johnson, a Technical Assistant in the Grants and Scholarships department for **42 years**, loved her role of helping students attend college and brighten their futures.

Tony Kaczoroski, Assistant Director of Finance and Regulatory Reporting, retired after **48 years** of service to HESAA. Tony's precise and methodical approach to his work provided assurance of accurate and detailed financial information. Tony played a vital role in HESAA's transition leading up to and after the termination of our role as a federal guaranty agency, and he contributed invaluable institutional knowledge about the Authority's history and legacy systems.

Mike Tychoneckyj, Principal Stock Clerk, retired after more than **34 years** of service to HESAA. Mike brought valuable knowledge of mailroom operations and processing incoming and outgoing mail. His expertise on operating and troubleshooting our mail room technology ensured that correspondence and invoices were processed and sent to students and families accurately and timely.

Magda Torres, retired after serving HESAA for nearly **23 years**, where she played a vital role in assisting financial aid officers at New Jersey's higher education institutions with interfaces and their operations of HESAA's technology. By supporting our partners who are the champions of financial aid at our state's colleges and universities, Magda's crucial programmatic work helped countless students get the resources they needed to pursue their educational and career aspirations.



New Jersey Advisory Committee on Student Aid

NJACSA committee representatives provide valuable recommendations and guidance to HESAA on the operations and policies of all grant, scholarship, and loan programs currently administered by the Authority.

County College Representative

Karyn Arnold

Associate Director of Financial Aid
Brookdale Community College

Independent Sector Representative

Susan Gross

Director of Financial Aid
Stevens Institute of Technology

Rutgers University Representative

Ann Marie Bouse

Associate Director of Compliance
University Enrollment Services
Rutgers, The State University of New Jersey

NJ Bursar's Association Representative

Orley Wainberg

Director of Financial Planning and Analysis
Kean University

EOF/Office of the Secretary of Higher Education
Representative

Hasani Carter, Ph.D.

Statewide EOF Executive Director

Educational Opportunity Fund Representative

Ruben Melendez

Director of Educational Opportunity Fund
Kean University

State College and Universities Representative

Wil Casaine

Executive Director of Financial Aid and Student
Success
The College of New Jersey

Representative of Public Research Universities

Ivon Nunez

Director of Student Financial Aid Services
New Jersey Institute of Technology

NJASFAA Representative

Rabbi Gedalya Green

Vice President of Enrollment Management
Beth Medrash Govoha of America



HESAA Student Advisory Committee

Officers



Chair
Isabella Berdugo-Hernandez
Rowan College at Burlington County



Vice Chair
Thyquel M. Halley
New Jersey City University

County College Sector

Angela Anokye-Boateng
Essex County College

Tavon Stokes
Union County College

Public Research Universities Sector

Liliana Esmail
Montclair State University

Anuja Badeti
New Jersey Institute of Technology

Stephanie Berdugo-Hernandez
Rowan University

Daniel David
Rutgers University

Maryellen DeLeon
Rutgers University

Independent College and University Sector

Shaoling Acevedo
Bloomfield College

Kareena Salvi
Drew University

Bishop Asamoah
Seton Hall University



Audited Financial Statements

State of New Jersey
Higher Education Student Assistance Authority
Combined Statements of Net Assets

	As of June 30,	
	2021	2020
Assets		
Cash and Cash Equivalents		
NJBEST	\$ 3,926,229	\$ 2,465,693
NJCLASS/FFELP	454,099,849	463,747,223
Other	14,354,905	12,659,072
Investments		
NJBEST	6,878,303,886	5,801,602,427
NJCLASS/FFELP	31,942,422	21,823,488
Other	69,056,704	74,504,846
Receivables		
Federal government	-	-
Loans	1,312,017,283	1,468,054,315
Other	71,517,658	95,799,653
Fixed Assets, Net		
	4,166,745	6,090,900
Total Assets	\$ 8,839,385,682	\$ 7,946,747,617
Deferred Outflow - Interest Rate Swaps		
	-	-
Liabilities and Fund Balances		
Liabilities		
Accounts Payable and Accrued Expenses	\$ 52,430,248	\$ 54,589,620
Due to Federal Government	-	68,007
Revenue Bonds Payable	1,484,090,000	1,647,500,000
Total Liabilities	1,536,520,248	1,702,157,627
Financial Instrument Liability - Interest Rate Swaps		
	-	-
Fund Balances		
Reserved for Loan Servicing	354,451,303	360,162,913
Restricted	6,948,414,131	5,884,427,077
Total Fund Balances	7,302,865,434	6,244,589,990
Total Liabilities and Fund Balances	\$ 8,839,385,682	\$ 7,946,747,617



**State of New Jersey
Higher Education Student Assistance Authority
Combined Statements of Revenues, Expenditures and Changes in Net Assets**

	For the Years ended June 30,	
	2021	2020
Revenues		
State Grant & Scholarship Appropriations	\$ 490,359,945	\$ 463,319,260
Federal and Other Grants	877,431	14,685,275
Fees	8,952,332	12,290,116
Investment Earnings		
NJBEST	96,973,540	124,319,956
NJCLASS	93,603,778	108,304,073
Other	77,227	998,340
NJBEST Subscriptions	2,514,115,767	2,300,185,863
Net Realized and Unrealized Gain/(Loss) on NJBEST Investments	1,100,736,822	77,497,975
Other	301,999	184,486
Total Revenues	4,305,998,841	3,101,785,344
Expenditures		
Direct Grant Aid to Students	480,403,854	477,613,388
NJBEST Redemptions	2,604,416,458	2,400,753,699
Program Expenses	59,168,114	54,801,449
Administrative Expenses	19,092,878	20,790,595
Intercompany Loan Forgiveness	26,747,624	(42,096,956)
Loan Forgiveness to Borrowers	5,679,340	17,406,558
Debt Service Interest	52,215,129	60,687,665
Total Expenditures	3,247,723,397	2,989,956,397
Operating (Deficit) Surplus	1,058,275,444	111,828,947
Less:		
Year-end Lapsed Funds	-	(914,000)
Net Assets - Beginning of Year	6,244,589,990	6,133,675,043
Net Assets - End of Year	\$ 7,302,865,434	\$ 6,244,589,990



Ensuring Compliance through Institutional Management Reviews

To fulfill HESAA's role as a responsible steward of taxpayer money and promote compliance with state law, each year HESAA conducts institutional management reviews to verify that New Jersey's higher education institutions properly follow all applicable federal and state statutes, regulations, policies, and procedures governing the awards and record-keeping for state-funded grant and scholarship programs.

The management reviews are also designed to provide institutions with recommendations on how to improve the operations of all business offices assisting in the administration of their students' financial aid, such as the Financial Aid, Admissions, Registrar, Bursar, and Accounting offices.

HESAA conducts two principal categories of institutional reviews: Limited and Full-Scale. Limited reviews focus on areas with the greatest potential for error such as reconciliations, certification of student eligibility, dependency override, and professional judgment cases. Full-Scale reviews have more in-depth testing and consist of the limited review components as well as adding a review of verification and projected income cases. Multiple variables are evaluated to determine if an institutional review is going to be Limited or Full-Scale. These variables include, but are not limited to, the total dollar amount of awards received, length of time since the last review, recent news or changes at the institution, unexpected trends observed, and findings reported in single audit reports.

During the 2020-21 fiscal year, HESAA's program review team completed four Full-Scale reviews and three Limited reviews. Additionally, one ad-hoc review was conducted related to a single audit finding.



Financial Aid Awarded in Academic Year 2020-21, by Program and Sector

Program	TAG	Part-Time TAG for County Colleges	Community College Opportunity Grant (CCOG)	NJ STARS	Governor's Urban Scholarship	NJBEST Scholarship	Total	
County								
Students	14,198	10,722	13,062	1,815	14	88	39,899	
Full-Year Equivalent Awards	13,113	6,727	9,725	1,629	12	88	31,294	
Amount	\$31,113,153	\$10,130,559	\$27,341,705	\$5,879,826	\$12,000	\$114,250	\$74,591,493	
Rutgers/Montclair/NJIT/Rowan								
Students	29,374			494	128	220	30,216	
Full-Year Equivalent Awards	26,602			442	121	220	27,385	
Amount	\$197,395,587			\$1,086,225	\$121,757	\$297,500	\$198,901,069	
State College/University								
Students	14,610			267	42	99	15,018	
Full-Year Equivalent Awards	12,936			235	40	99	13,893	
Amount	\$74,784,045			\$564,091	\$39,500	\$129,750	\$75,517,386	
Independent								
Students	13,018			72	44	72	13,206	
Full-Year Equivalent Awards	11,884			66	42	72	12,064	
Amount	\$117,639,881			\$163,750	\$41,500	\$95,000	\$117,940,131	
Proprietary								
Students	1,814			0	1	0	1,815	
Full-Year Equivalent Awards	1,419			0	1	0	1,420	
Amount	\$12,986,619			\$0	\$500	\$0	\$12,987,119	
Total Students	73,014	10,722	13,062	2,648	229	479	Grand Total Students	100,154
Total Full-Year Equivalent Awards	65,954	6,727	9,725	2,372	216	479	Grand Total Full-Year Equivalent Awards	85,473
Total Amount	\$433,919,285	\$10,130,559	\$27,341,705	\$7,693,892	\$215,257	\$636,500	Grand Total Amount	\$479,937,198

* Full-year equivalent awards derived by pairing fall and spring semester awards. This calculation undercounts unique student recipients because some students receive awards in only one semester.



Executive Order #37 Certification

We jointly certify that in compliance with Paragraph 2 of Executive Order #37 (2006), HESAA has, to the best of our knowledge, followed all of the Authority's standards, procedures, and internal controls. We further jointly certify that HESAA fully participated in the prescribed Internal Control Assessment as directed by the Office of Management and Budget and no significant internal control weaknesses were revealed.

We hereby certify that the foregoing statements are true to the best of our knowledge. We understand that if any of the foregoing statements are willfully false, we are subject to punishment.

By:



David J. Socolow
Executive Director

By:



Gerald V. Traino
Chief Financial Officer



Online Resources



Championing Student Success Online Resources

- Page 4** Community College Opportunity Grant
<https://www.hesaa.org/Pages/ccog.aspx>
- Page 4** Garden State Guarantee
<https://www.hesaa.org/Pages/gsg.aspx>
- Page 4** To Apply for NJ Financial Aid
<https://www.hesaa.org/Pages/financialaidhub.aspx>
- Page 5** NJBEST 529 College Savings Plan Benefits
<https://www.hesaa.org/pages/NJBESTHome.aspx>
- Page 5** New Jersey College Affordability Act
https://www.njleg.state.nj.us/Bills/2020/PL21/128_.PDF



Additional Online Resources

Federal Aid Resources from the Department of Education
www.studentaid.ed.gov

College Planning and Money Management from Mapping Your Future
www.mappingyourfuture.org

Free Financial Wellness Tools from the State of New Jersey
<https://njfinlit.enrich.org/>





HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

www.hesaa.org