

How to Pay for College

An ASU Prep playbook for making university more affordable



Plan to pay for college with ASU Prep

Understand the value of a college education and how to make it more affordable

There's no doubt about it: college can be expensive. For some, it can feel out of reach, but it doesn't have to be. This playbook is designed to help families and students navigate their path to secondary education with visibility into what costs they may incur and how to bring the ticket price down.

At ASU Prep, we welcome thousands of students into our classrooms every year, putting them on a path to obtaining a college degree that prepares them for a future career. With university connections, we know better than anyone how to make college more affordable.

In this guide, you'll find the tools, tips and resources you need to face costs head on, removing the guesswork so you can take advantage of ways to lower your bill through aid, scholarships and earned credits. Planning now will pay off later, in more ways than one.

About ASU Prep

We've helped thousands of students prepare for college, and we know firsthand what it takes to succeed. From rigorous coursework to early college experiences, we provide students with the tools, guidance and support they need to confidently step into college life.

Class of 2025

\$23.5M+ scholarships
awarded

84% FAFSA® completion rate
(30% higher than the national average)

71% NAMU scholarship
recipients

Why a degree is worth the investment

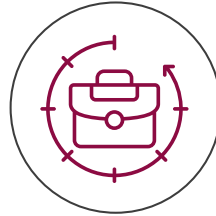
1 Higher earnings

College graduates earn twice the wages of peers who only attended high school only and roughly \$1M more over a lifetime.



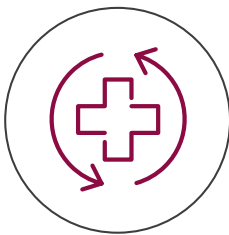
2 Better job fit

Adults with higher education are more likely to say their work fits their talents and interests. 80% of bachelor's holders say their work fits their talents vs 58% with no post-secondary education.



3 Health and well-being

61% of bachelor's grads rate their health excellent/very good vs 43% with no post-secondary education.

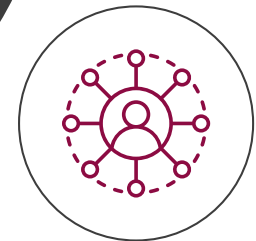


4 Civic participation

Voting and civic engagement rise with education. 87% of people who earned a bachelor's degree voted in the most recent federal election compared to 59% with no post-secondary education.



More education is associated with greater trust and more frequent interaction with friends, family and community.



Earning college credit in high school

The number of college-level credits high school students earn before graduating can reduce the number (and cost) of courses required later.

At ASU Prep, students can get a head start on college through real university courses where they can earn college credit. These opportunities help students build confidence, experience and savings, while preparing them for the expectations of university-level work.

With online and in-person learning options, ASU Prep offers two ways to earn college credit that work with a student's schedule and goals.

- + **Universal Learner Courses (ULC):** These select courses are offered online and provide students the opportunity to take college level courses and choose at the end of their course if they would like ASU Academic credit.
- + **Concurrent Courses:** These courses are offered in person at an ASU campus or online and provide students the opportunity to take any ASU course offered in the course catalog, with the final grade automatically reflecting as ASU Academic credit.



Unlike AP, there is no extra test required to receive credit. And unlike many dual enrollment programs tied to community colleges, the credits are transferable to most colleges and universities around the world.



Thanks to the concurrent courses, I will be able to start my Computer Systems Engineering (Cybersecurity) degree at ASU as a college senior, saving me nearly 4 years and over \$50,000 in tuition fees. I gained advanced knowledge and skills that put me on a fast track to achieving my academic and career goals, including securing a prestigious internship this summer.”

— Paul, earned 65 college credits while in high school

How many college courses should a student take in high school?

Starting as early as grade 9, ASU Prep students can earn college credit tuition-free while still in high school. With support from our Learning Success Coaches, students plan the right number of courses to build readiness, reduce future college costs and stay balanced along the way.

College Courses per Semester*	Total College Credits Earned by Graduation	College Time Saved	Estimated Tuition Savings**
1 course	24 credits	-1 year	\$9.6k+ in-state \$27k+ out-of-state
1-2 courses	36 credits	-1.5 years	\$14.5k in-state \$41k+ out-of-state
2 courses	48 credits	-2 years	\$19k+ in-state \$55+ out-of-state

*Assumes student begins taking college-level courses in 9th grade

**Tuition estimates are illustrative only and based on average U.S. public university tuition rates. Actual savings will vary by institution.

Types of financial aid

Financial aid is a form of monetary support designed to help cover the costs of attending college, and it comes in two core forms:

- ☑ **Gift aid: Scholarships and grants** that essentially provide free money that does not have to be paid back. These are often offered based on merit or financial need.
- ☑ **Conditional aid: Work-study**, which allows students to earn money through part-time jobs while attending school or **loans**, which will need to be repaid with interest after graduation.

Financial aid can come from various sources such as the government, colleges or private organizations committed to making college more affordable for students.



Who is eligible to apply for (or receive) **federal** financial aid?

- ☐ **You must be a U.S. citizen or an eligible noncitizen** such as a permanent resident, refugee or asylee.
- ☐ **The school you attend must participate in federal financial aid programs.** ASU Prep does.
- ☐ **You need to be enrolled in a degree-seeking program.** This means your education path must lead to a certificate or a degree.
- ☐ **You'll need to maintain satisfactory academic progress** while you're in school, like a minimum GPA and completing your courses on time.

What is FAFSA®?

The Free Application for Federal Student Aid (FAFSA®) is the application you will need to fill out annually to determine how much federal financial aid you're eligible for.

It's important to note that the FAFSA® asks for specific details about your family's finances, including household income, tax information and other financial data. This information will determine the maximum financial aid you can receive to help offset your college costs.

Is it worth applying?

Absolutely. Eligibility for federal financial aid is influenced by several key factors including income, family size and assets. You should complete the FAFSA® regardless of your financial situation. Even if you think you won't qualify, it's worth submitting a FAFSA® to unlock all possible funding options. Most people find they receive some financial support. For many, it can be a significant amount.



Each year, over **13 million students** complete the FAFSA®, and as a result, they collectively receive more than **\$120 billion in various forms of financial aid** from the U.S. Department of Education.

Many two- and four-year colleges, trade schools and universities use the FAFSA® to assess a student's eligibility for their own scholarship programs. By submitting the FAFSA®, you not only apply for the federal financial aid, but you're also maximizing your chances of receiving additional funding from the institutions themselves.

Good to know! When completing the FAFSA®, you'll need to list at least one college or university of choice, but you can include up to 10 you're considering, even if you haven't applied yet. Don't worry, each school only sees their own information, so there's no need to feel cautious about listing multiple options. If you later decide to add more schools after submitting the form, it's easy to log in and make a correction.

What you'll need:

- ❑ Both the student and parents/guardians will need a **StudentAid.gov** account (formerly known as an FSA ID).
- ❑ Your tax information, including your **1040 tax return** and **W-2 form** for the previous year.
- ❑ Records of any **untaxed income**.
- ❑ Your current totals of any **cash, checking and savings accounts and investments**. This excludes retirement accounts.

How to apply:

- + Visit studentaid.gov and navigate to the FAFSA® section in the dropdown menu.
- + Click "Create Account" and follow the prompts.
- + Students should fill out their section of the FAFSA® first, entering their legal name, date of birth, Social Security Number, mailing address and phone number as stated on federal records.
- + Choose and answer the security questions.
- + Verify your email and mobile phone.
- + Parents/guardians fill out the requested information at the "contributor" section. If the student's parents/guardians are married and filed a joint tax return the prior year, the student will only need to invite one parent/guardian to contribute. When the parent or contributor is invited, they'll receive an entry code by email, and this code will be required to access the FAFSA® and complete their section.
- + Review your information for accuracy before hitting "Submit."

When to file:

College-bound high school seniors should fill out FAFSA® as early as possible, even before being accepted to a college. The FAFSA® typically opens on October 1 each year, and many forms of financial aid are awarded on a first-come, first-served basis. Submitting early can increase your chances of receiving the most aid available. Each state has its own deadline to file a FAFSA®. [Locate yours here](#)→



How to find and apply for **scholarships**

Gift aid

Who offers scholarships?

- + **Colleges and universities:** to attract students or support specific departments
- + **Private donors:** based on their/community interests
- + **Some employers:** as part of their employee benefits, supporting employees and sometimes even their dependents
- + **Organizations:** through community groups, foundations and professional associations

How are they awarded?

Some scholarships are specifically designed for students pursuing certain fields of study (i.e., by **major**). Many scholarships also reward students based on their active participation or leadership roles in **extracurricular activities**. Of course, there are merit-based scholarships based on students' academic performance, including their GPA and standardized test scores. But there are also scholarships that are highly personalized, based on students' **unique traits** and talents, like their artistic skills or athletic ability. Some scholarships are available to students from specific **cultural backgrounds, communities or geographical location**.

New American University Scholar

Arizona State University awards merit scholarships, called New American University scholarships, to incoming first-year students with outstanding academic abilities.

Available to:

- First-time, first-year students** entering ASU the semester directly after high school graduation
- Full-time, on-campus students** registered for iCourses and ASU Sync (excludes ASU Online)

Awarded based on:

- + High school GPA in core competencies
- + The number of those competencies completed or in progress
- + Degree program, residency and campus a student is admitted to

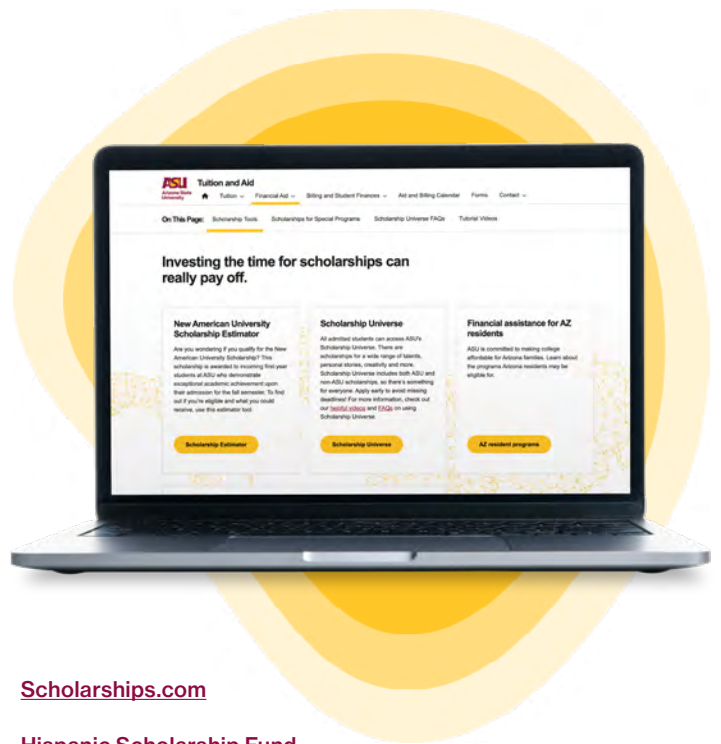
ACT or SAT scores are not required for scholarship eligibility but providing them may lead to increased scholarship awards. ASU must receive your test score(s) by May 1 in order for them to be considered.

See if you qualify to be a New American University Scholar by using our [Merit Scholarship Estimator here](#).



Scholarship resources

Every full-time ASU Prep high school senior participates in Senior Seminar, a year-long course focused on college and career preparation. Students receive guided support with applications, scholarships, FAFSA® and essential life skills, helping them move into college feeling prepared and confident. To help stay organized, families can use our [Scholarship Log](#) to keep everything in one place.



[ASU Scholarship Search](#)

[Access ASU Early Access Scholarship](#)

[Phoenix Public Library](#)

[Fastweb](#)

[College Connect](#)

[BigFuture \(College Board\)](#)

[Peterson's](#)

[Scholarships.com](#)

[Hispanic Scholarship Fund](#)

[Arizona Community Foundation](#)

[ASU Chicano/Latino Faculty and Staff](#)

[Association Scholarship Program](#)

[United Negro College Fund](#)

[American Indian College Fund](#)



Scholarship Universe @ ASU

ASU's Scholarship Universe is a platform designed to help students find and apply to scholarships more effectively, matching opportunities with their unique profile. Scholarship Universe enables students to submit one application and apply to multiple scholarships, reducing the once tedious process. And it's regularly updated with new scholarship opportunities so students always have access to the latest available options. Additionally, the platform provides a convenient dashboard where students can track their scholarship applications, their selections and awards all in one place. To access Scholarship Universe, students must have an active ASU application on file. [Learn more about Scholarship Universe](#)→



How to find and apply for grants

Gift aid

Like scholarships, grants are also considered gift aid, which means **they do not require repayment**. Grants are typically awarded based on financial need, providing support to students who may struggle to cover the cost of college.

Grants can come from different sources, including the federal government, and many colleges and universities also offer their own grants to support students based on their financial circumstances. Grants play a vital role in making college more affordable for students in need and provide an excellent source of financial support.

Pell Grant

A well-known example of a federal grant is the Pell Grant, whose maximum annual award is around \$7,395. Not every student will receive the full amount. The actual award depends on several key factors, including the information the student submitted for their FAFSA®, a college's cost for attendance and whether the student is full- or part-time. Most importantly, it depends on the student's Student Aid Index (SAI), a number calculated based on this information provided when you fill out the FAFSA®. Colleges use that number to help determine how much and what types of financial aid you qualify for.

Here is the rule of thumb: If the student's SAI, Student Aid Index, is greater than double the maximum Pell amount, they're not eligible for the Pell Grant.

Need	SAI Range	Financial Aid Impact
Very High	-1,500–0	Likely qualifies for maximum Pell Grant
High	1–7,000	May qualify for partial Pell Grant
Medium	7,001–20,000	Often above Pell Grant threshold but may still qualify for subsidized loans or state/institutional aid
Low	20,000+	Generally ineligible for Pell Grant

To calculate your SAI, [use the Aid Estimator here](#).

The Arizona Promise program

The Arizona Promise Program is a guaranteed scholarship program for eligible low-income Arizona residents with federal Pell Grants that ensures all tuition and fees are covered at Arizona's public universities, including: Arizona State University, Northern Arizona University and the University of Arizona. The award amount is up to the actual cost of in-state tuition, mandatory fees and program fees for up to eight academic semesters, after other financial aid. The Promise Scholarship is applied after all other aid, scholarships and grants are used. Housing, meal plans, parking or books are not covered.

Qualifying students must:

- 1 Live in Arizona:** Be an Arizona resident and high school graduate with a 2.5 GPA or higher
- 2 Complete the FAFSA®:** Complete and submit the FAFSA® by April 1 of your senior year to receive priority consideration
- 3 Qualify for a Pell Grant:** Receive a federal Pell Grant award
- 4 Enroll at ASU, NAU or U of A:** Enroll at an Arizona public university

[Learn more about the Arizona Promise Program](#)→

Comparing the different types of student loans

Conditional aid

Student loans can give students another means to afford college, but it is critical to understand the different types of loans to make the most educated decision on borrowing.

Loans primarily come from two different sources:

Federal loans

- + Preferred method
- + Have the most payment plan opportunities
- + Fixed interest rates
- + Available for both students and parents

Private loans

- + Oftentimes do not have payment plan options
- + Repayments similar to a mortgage payment plan
- + Have variable interest rates that often change monthly
- + May require a co-signer

Other aid, cost of attendance and loan limits determine availability. All loans will require repayment with some type of interest, either accruing during their education or shortly after.

Subsidized vs. unsubsidized

Subsidized and unsubsidized loans are federal student loans for eligible students to help cover the cost of education at a four-year college or university, community college, trade school or technical school.

Subsidized loans DO NOT accrue interest while a student is in school for at least half-time, and allow a six-month grace period after they leave school.

Unsubsidized loans DO accrue interest while a student is in school. Interest starts building as soon as the loan is taken out. The student is responsible for paying interest during all periods, even when they're studying. If the student chooses not to pay the interest while they're in school, during the grace period or if they pause payments (like deferment), the unpaid interest will build up and be added to the total loan amount, which is called capitalization. This means the longer you wait to pay interest, the more you end up owing in the long run.

Parent Plus Loans

Parent Plus Loans provide flexible ways to help cover the remaining costs of school that may not be fully covered by either student loans or scholarships. These loans are available to parents of dependent undergraduate students after completing the FAFSA®. The loans come directly from the U.S. Department of Education, which acts as the lender.

Keep in mind that the Parent Plus Loans are unsubsidized loans. Unlike student loans, Parent Plus Loans are based on the borrower's credit history. To qualify, parents must not have an adverse credit history. The maximum loan amount parents can borrow is the full cost of attendance that is determined by the school minus any other financial aid that the student has received. It's important to know the parent is held legally and financially responsible to repay this loan, not their student.

Private student loans

Private student loans come from private financial institutions who act as the lender. These loans can offer another way for you to pay for college, but they come with more variables and potential risks. Since interest rates can change and repayment terms can vary by lender, it's important to carefully review the details and understand any penalties before borrowing. Having a co-signer means that someone else is sharing the responsibility of repaying that loan. Keep in mind private student loans can affect more than just the student. Be sure to explore all other options, including federal loans, before committing to a private loan to ensure that you're making the best choice for your financial future.



Loan snapshot

Loan Type	Subsidized Loans	Unsubsidized Loans (Federal Student)	Parent Plus Loans	Private Student Loans
Who Can Borrow	Eligible students	Eligible students	Parents of dependent undergraduate students	Students, often with a co-signer
Lender	U.S. Department of Education	U.S. Department of Education	U.S. Department of Education	Private financial institutions
Accrues Interest While in School	NO (Interest is paid by the government)	YES (Starts immediately)	YES (Are unsubsidized)	YES (Varies by lender)
Who Repays the Loan	Student	Student	Parent	Student and/or co-signer
Basis for Qualification	Financial need	Eligibility as a student	Borrower's credit history (no adverse history)	Borrower's/co-signer's credit and financial history
Borrowing Limits	Varies (often lower than unsubsidized)	Varies	Cost of attendance minus other financial aid	Varies by lender
Flexibility/Terms	Federal standard terms; 6-month grace period	Federal standard terms; 6-month grace period; unpaid interest capitalizes	Federal standard terms; flexible ways to cover remaining costs	Varies by lender; interest rates can change; repayment terms vary; potential penalties

Work Study

Conditional aid

Work-study is a type of financial aid that is earned through part-time employment on/off campus.

The amount that is listed under work-study in your award package is not money that is automatically given to you. Instead, the student must apply for and secure a work-study job on the college campus to receive those funds. You will then be paid out based on the hours that you work.

If a student is eligible, work-study will appear under your Financial Aid and Scholarships tab on your ASU platform or whatever institution you're applying for. It's important to note that work-study funds are applied to your account based on the information you provided in the FAFSA®.

If you are not eligible for work-study, students can still seek student employment opportunities both on and off campus.



Cost planning tips

Start with tuition-free college credit, then layer scholarships and grants to maximize your opportunities to earn financial support for college tuition.

- ✔ **Grants: ALWAYS accept.** These are essentially free money, no repayment required.
- ✔ **Scholarships: Again, ALWAYS accept.** Like grants, they don't need to be paid back and can significantly lower your college costs.
- ✔ **Work-study: ALWAYS accept (when applicable).** Pursue work-study if it provides an opportunity to earn money while working on campus and is manageable for you.
- ⚠ **Loans: Be cautious; ONLY accept what you need.** Loans will have to be repaid with interest during or after graduation. Always review your financial aid offer carefully and make decisions based on your circumstances.



How do you actually receive the financial aid money?

You will receive your financial aid offer directly from your college, not from the government. Typically, the financial aid offer arrives a few weeks after you receive your admission letter. If you receive any grants or financial aid, this money will be directly applied to your college tuition costs within your account. This essentially means you're getting a discounted rate on your bill, making college more affordable.

Your pathway to college starts here



From the start, students at ASU Prep rise to high expectations with support that meets them where they are. They develop essential skills and learn the routine for success: plan the work, do the work, show what you know, *repeat*.

Students also gain early exposure to college-level courses and concepts, building confidence and experience so that hard work feels familiar, not foreign. Through immersive projects, ASU courses and real-world experiences, they see the standards they will meet and embrace the opportunities ahead, carrying skills and confidence into college and beyond.

The ASU Prep advantage

ASU Prep students earn their first college credits, gain confidence and see how today's work moves them closer to the life they want. That means credits add up and skills grow as the time and cost for college shrink.

We pair that momentum with practical support. Teachers and Learning Success Coaches guide students on course selection, workload and timelines that fit real life. By graduation, ASU Prep students have earned thousands of college credits and millions in scholarships. But more importantly, they leave with lasting habits –how to think critically, study, ask for help, make choices and follow through.

It's not just a head start. It's a lifelong advantage.

What's next

Your journey doesn't stop here. The playbooks in this series will guide you through:

- + **Preparing for College:** Study habits, earning college credit, prepping for tests
- + **Applying for College:** Essays, application timelines, letters of recommendation and submission guidance

- ✓ **Prep for college.**
- ✓ **Prep for careers.**
- ✓ **Prep for life.**



To learn more about ASU Prep Digital and enroll, visit www.asuprepdigital.org or call 844-692-3372.