

ISJIT

Iowa Schools Joint Investment Trust

Annual Financial Report
June 30, 2018 and 2017

Sponsored by:
Iowa Association of School Boards



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Statement from the Sponsoring Association



The Iowa Schools Joint Investment Trust (ISJIT) truly represents the value of strength in numbers, as public entities work together to maximize resources in a challenging budget environment. Since 1986, the program has focused on serving the cash management needs of school districts, community colleges, area education agencies and other eligible participants in a safe, effective and efficient manner. ISJIT is sponsored by the Iowa Association of School Boards (IASB), governed by a representative board of trustees and served by a dedicated team of professionals.

The rebounding interest rate environment has translated to higher earnings rates available from all types of liquid cash investment vehicles, including ISJIT. The Fund's Portfolios continue to provide a competitive return with an emphasis on the preservation of principal

and maintenance of suitable liquidity for all participants.

IASB is committed to assisting local school districts on their journey to excellence by freeing dollars in your budget that can be focused on student learning. ISJIT continues to grow and, with 300+ authorized participants, provides a much-needed investment option for Iowa schools.

As the Executive Director, I would like to thank this past year's ISJIT participants. I appreciate your continuing support as we strengthen the Iowa Association of School Boards and focus our efforts on serving Iowa's education community.

Sincerely,

A handwritten signature in black ink that reads "Lisa A. Bartusek". The signature is fluid and cursive.

Lisa A. Bartusek
Executive Director
Iowa Association of School Boards

Message from the Chair



The Iowa Schools Joint Investment Trust Board is pleased to present this Annual Financial Report for the period ending June 30, 2018. We are encouraged by our high level of participation and our high level of account balances. The ISJIT board thanks you for your loyal support over the past fiscal year.

I would like to acknowledge the tremendous commitment of all the partners we work with on ISJIT. This includes PMA Financial Network, Inc. (administrator), PMA Securities, Inc. (marketer and fixed term provider), RBC Global Asset Management, (U.S.), Inc. (investment advisor), and Wells Fargo (custodian). The partners continue to provide a high level of service to ISJIT's Participants, while they proactively seek to maximize return to participants in a low interest rate environment. I take pride in knowing that ISJIT, in cooperation

with our service partners, is doing all it can to serve member districts, AEAs and community colleges.

ISJIT continues to partner with Brooks Lodden, P.C., as the independent auditors. Beth Grob, Ahlers Law Firm serves as our legal counsel.

Paul Kruse continues as our marketing agent and is the face of ISJIT to local school business officials and superintendents.

Your comments and suggestions are always welcome and are a key element in the continual improvement of the ISJIT program. Please feel free to contact me or any other board member with your thoughts and ideas.

Together we can make ISJIT even better.

On behalf of the Board,

A handwritten signature in black ink that reads "Jon & Rowen". The signature is written in a cursive, flowing style.

Jon Rowen
Chair

Board of Trustees & Team of Professionals

ISJIT Board of Trustees:

Jon Rowen, Chair & Trustee
Eagle Grove Community Schools

Jill Morrill, Vice Chair & Trustee
Johnston Community School District

Lisa Bartusek, Secretary & Executive Director
Iowa Association of School Boards

Paul Bobek, Treasurer & Assistant Secretary
West Des Moines Community School District

Bill Grove, Trustee
Council Bluffs Community Schools

Susan Meade, Trustee
Winterest Community Schools

Troy Padellford, Trustee
Pleasantville Community Schools

ISJIT Team of Professionals:

PMA Financial Network, Inc.
Administrator

RBC Global Asset Management (US) Inc.
Investment Advisor

Wells Fargo
Custodian

PMA Securities, Inc.
Marketing Representative

Beth Grob, Ahlers & Cooney, P.C.
Legal Counsel

Brooks Lodden, P.C.
Independent Auditors

Iowa Association of School Boards
Sponsor

Membership Profile

ADAIR-CASEY COMMUNITY SCHOOL
ADEL-DESOTO-MINBURN CSD
AEA 10 GRANT WOOD
AEA 10 GRANT WOOD TRUSTEE
AEA 11 HEARTLAND
AEA 16 GREAT RIVER TRUST
AEA 267
AEA 9 MISSISSIPPI BEND
AEA PRAIRIE LAKES
AGWSR SCHOOL DISTRICT
AHSTW COMMUNITY SCHOOL DISTRICT
AKRON-WESTFIELD COMMUNITY SCHOOL
ALBERT CITY-TRUESDALE
ALBIA COMMUNITY SCHOOL
ALBURNETT COMMUNITY SCHOOL
ALDEN COMMUNITY SCHOOL
ALGONA COMMUNITY SCHOOLS
ALTA COMMUNITY SCHOOL
AMES COMMUNITY SCHOOL
ANAMOSA COMMUNITY SCHOOL
ANDREW COMMUNITY SCHOOL
ANKENY COMMUNITY SCHOOL
ANTHON-OTO COMMUNITY SCHOOL
APLINGTON COMMUNITY SCHOOL
APLINGTON-PARKERSBURG SD
ARMSTRONG-RINGSTED COMM SCHOOL
AR-WE-VA COMMUNITY SCHOOL
ATLANTIC COMMUNITY SCHOOLS
AUDUBON COMMUNITY SCHOOL
AURELIA COMMUNITY SCHOOL
BALLARD COMMUNITY SCHOOL
BANKERS TRUST TTEE JOHNSTON
BANKERS TRUST TTEE WEST DELAWARE
BATTLE CREEK-IDA COMM SCHOOL
BAXTER COMMUNITY SCHOOL
BCLUW COMMUNITY SCHOOL
BELLE PLAINE COMMUNITY SCHOOL
BELLEVUE COMMUNITY SCHOOLS
BELMOND-KLEMM COMM SCHOOL
BENNETT COMMUNITY SCHOOL
BETTENDORF COMMUNITY SCHOOL
BONDURANT-FARRAR COMM SCHOOL
BOONE COMMUNITY SCHOOL
BOYDEN-HULL COMMUNITY SCHOOL
BOYER VALLEY COMMUNITY SCHOOL
BROOKLYN-GUERNSEY-MALCOM
BTC AS TRUSTEE FOR DSR FUNDS
BTC FORT DODGE-TRUSTEE
BTC TRUSTEE DUBUQUE COM. SCHOOL
BTC TRUSTEE WEST DES MOINES CSD
BURLINGTON COMMUNITY SCHOOL
CAL COMMUNITY SCHOOL
CALAMUS-WHEATLAND CSD
CAM COMMUNITY SCHOOL
CAMANCHE COMMUNITY SCHOOL
CARDINAL COMMUNITY SCHOOL
CARLISLE COMMUNITY SCHOOL
CARROLL COMMUNITY SCHOOL
CEDAR FALLS COMMUNITY SCHOOL
CEDAR RAPIDS COMMUNITY SCHOOL
CENTER POINT-URBANA CSD
CENTERVILLE COMMUNITY SCHOOL
CENTRAL CITY COMM SCHOOL DIST
CENTRAL CLINTON COMMUNITY SCHOOL
CENTRAL DECATUR COMMUNITY SCHOOL
CENTRAL LEE COMMUNITY SCHOOL
CENTRAL LYON COMMUNITY SCHOOL
CENTRAL SPRINGS COMMUNITY SD
CHARITON COMMUNITY SCHOOL
CHARLES CITY COMMUNITY SCHOOL
CHEROKEE COMMUNITY SCHOOL
CLARINDA COMMUNITY SCHOOL
CLARKE COMMUNITY SCHOOL
CLARKSVILLE COMMUNITY SCHOOL
CLAY CENTRAL/EVERLY CSD
CLEAR CREEK-AMANA CSD
CLEAR LAKE COMMUNITY SCHOOL
CLEARFIELD COMMUNITY SCHOOL
CLINTON COMMUNITY SCHOOL
COLFAX-MINGO COMMUNITY SCHOOL
COLLEGE COMMUNITY SCHOOL
COLLINS-MAXWELL COMMUNITY SCHOOL
COLO-NESCO COMMUNITY SCHOOL
COLUMBUS COMMUNITY SCHOOL
COMMUNITY FIRST STATE BANK
COON-RAPIDS-BAYARD CSD
CORNING COMMUNITY SCHOOL
COUNCIL BLUFFS COMMUNITY SCHOOL
CRESTON COMMUNITY SCHOOL
DALLAS-CENTER-GRIMES CSD
DANVILLE COMMUNITY SCHOOL
DAVENPORT COMMUNITY SCHOOL
DAVIS COUNTY COMMUNITY SCHOOL
DECORAH COMMUNITY SCHOOL
DELWOOD COMMUNITY SCHOOL
DENISON COMMUNITY SCHOOL
DENVER COMMUNITY SCHOOL
DES MOINES AREA COMMUNITY
DES MOINES INDEPENDENT SCHOOL
DIAGONAL COMMUNITY SCHOOL
DIKE-NEW HARTFORD CSD
DUBUQUE COMMUNITY SCHOOL
DUNKERTON COMMUNITY SCHOOL
DURANT COMMUNITY SCHOOL
EARLHAM COMMUNITY SCHOOL
EAST BUCHANAN COMMUNITY SCHOOL
EAST GREENE COMMUNITY SCHOOL
EAST MARSHALL COMMUNITY SCHOOL
EAST MILLS COMMUNITY SCHOOL
EAST SAC COMMUNITY SCHOOL
EAST UNION COMMUNITY SCHOOL
EASTERN ALLAMAKEE CSD
EDDYVILLE-BLAKESBURG CSD
EDGEWOOD-COLESBURG CSD
ELDORA NEW PROVIDENCE CSD
EMMETSBURG COMMUNITY SCHOOL
ENGLISH VALLEYS CSD
ESSEX COMMUNITY SCHOOL
ESTHERVILLE LINCOLN CENTRAL CSD
EXIRA COMMUNITY SCHOOL
EXIRA-ELK HORN-KIMBALLTON CSD
FAIRFIELD COMMUNITY SCHOOLS
FOREST CITY COMMUNITY SCHOOL
FORT DODGE COMMUNITY SCHOOL
FORT MADISON COMMUNITY SCHOOL
FREDERICKSBURG COMMUNITY SCHOOL
FREMONT-MILLS COMMUNITY SCHOOL
GALVA-HOLSTEIN COMMUNITY SCHOOL
GARNER-HAYFIELD COMMUNITY SCHOOL
GARNER-HAYFIELD-VENTURA COMMUNITY
SCHOOL DISTRICT
GEORGE-LITTLE ROCK CSD
GILBERT COMMUNITY SCHOOL
GILMORE CITY-BRADGATE CSD
GLADBROOK-REINBECK COMMUNITY
GLENWOOD COMMUNITY SCHOOL
GLIDDEN-RALSTON COMMUNITY SCHOOL
GMG COMMUNITY SCHOOL
GRAETTINGER COMMUNITY SCHOOL
GREAT PRAIRIE AEA
GREEN HILLS AEA
GREENE COUNTY COMMUNITY SD
GRINNELL-NEWBURG COMM SCHOOL
GRISWOLD COMMUNITY SCHOOL
GRUNDY CENTER COMMUNITY SCHOOL
GUTHRIE CENTER COMM SCHOOL
HAMBURG COMMUNITY SCHOOL
HAMPTON-DUMONT CSD
HARLAN COMMUNITY SCHOOL
HARMONY COMMUNITY SCHOOL
HARRIS-LAKE PARK COMMUNITY SD
HARTLEY-MELVIN-SANBORN CSD
HIGHLAND COMMUNITY SCHOOL
HINTON COMMUNITY SCHOOL
H-L-V COMMUNITY SCHOOL
HOWARD-WINNESHIEK CSD
HUBBARD-RADCLIFFE CSD
HUDSON COMMUNITY SCHOOL
HUMBOLDT COMM SCHOOLS
IMPACC
INDEPENDENCE COMMUNITY SCHOOL
INDIAN HILLS CC CORPORATION
INDIAN HILLS CC FOUNDATION
INDIAN HILLS COMMUNITY COLLEGE
INDIANOLA COMMUNITY SCHOOL
INTERSTATE 35 COMMUNITY SCHOOL
IOWA CITY COMMUNITY SCHOOL
IOWA EDUCATION BENEFITS PROGRAM
IOWA FALLS COMMUNITY SCHOOL
IOWA LAKES COMMUNITY COLLEGE
IOWA LAKES COMMUNITY COLLEGE TR
IOWA SCHOOLS CASH ANTICIPATION
IOWA SCHOOLS EMPLOYEE BENEFITS
IOWA VALLEY COMMUNITY COLLEGE

Membership Profile (continued)

IOWA VALLEY COMMUNITY SCHOOL
IOWA WESTERN COMMUNITY COLLEGE
ISCAP - CORPORATE
ISCAP First Loss
ISJIT
ISJIT ARRA INTEREST
ISJIT BOARD OF TRUSTEE
ISJIT-BTC INT
ISJIT-CORPORATE TRUST SWEEP
JANESVILLE CONSOLIDATED SCHOOL
JESUP COMMUNITY SCHOOL DISTRICT
JOHNSTON COMMUNITY SCHOOL
KEOKUK COMMUNITY SCHOOL
KEOTA COMMUNITY SCHOOL
KEYSTONE AEA 1
KINGSLEY-PIERSON COMMUNITY
KIRKWOOD COMMUNITY COLLEGE
KIRKWOOD COMMUNITY COLLEGE TRUST
KNOXVILLE COMMUNITY SCHOOL
LAMONI COMMUNITY SCHOOL
LAURENS-MARATHON CSD
LAWTON-BRONSON COMMUNITY SCHOOL
LE MARS COMMUNITY SCHOOL
LENOX COMMUNITY SCHOOL
LEWIS CENTRAL COMMUNITY SCHOOL
LINN-MAR COMMUNITY SCHOOL
LISBON COMMUNITY SCHOOLS
LOGAN-MAGNOLIA COMMUNITY SCHOOL
LONE TREE COMMUNITY SCHOOL
LOUISA-MUSCATINE CSD
LUVERNE COMMUNITY SCHOOL
LYNNVILLE-SULLY COMMUNITY SCHOOL
MADRID COMMUNITY SCHOOL
MANSON NORTHWEST WEBSTER CSD
MAPLE VALLEY COMMUNITY SCHOOL
MAPLE VALLEY-ANTHON OTO CSD
MAQUOKETA COMMUNITY SCHOOL
MAQUOKETA VALLEY CSD
MARCUS-MERIDEN-CLEGHORN CSD
MARION INDEPENDENT SCHOOL
MARSHALLTOWN COMMUNITY SCHOOL
MARTENSDALE ST-MARYS CSD
MASON CITY COMMUNITY SCHOOL
MEDIAPOLIS COMMUNITY SCHOOL
MELCHER DALLAS COMMUNITY SCHOOL
METRO INTERAGENCY INSURANCE PRO
MFL MARMAC
MID PRAIRIE COMMUNITY SCHOOL
MIDLAND COMMUNITY SCHOOLS
MISSOURI VALLEY COMMUNITY SCHOOL
MOC-FLOYD VALLEY CSD
MONTEZUMA COMMUNITY SCHOOL
MONTGOMERY COUNTY COMMUNITY COLLEGE
MONTGOMERY COUNTY I.U.#23
MONTICELLO COMMUNITY SCHOOL
MORAVIA COMMUNITY SCHOOL
MORMON TRAIL COMMUNITY SCHOOL
MORNING SUN COMM SCHOOL

MOULTON-UDELL COMMUNITY SCHOOL
MOUNT AYR COMMUNITY SCHOOL
MOUNT PLEASANT COMMUNITY SCHOOL
MOUNT VERNON COMMUNITY SCHOOL
MURRAY COMMUNITY SCHOOL
MUSCATINE COMMUNITY SCHOOL
NASHUA-PLAINFIELD CSD
NEVADA COMMUNITY SCHOOL
NEW HAMPTON COMMUNITY SCHOOL
NEW LONDON COMMUNITY SCHOOL
NEW MARKET COMMUNITY SCHOOL
NEWELL-FONDA CSD
NEWTON COMMUNITY SCHOOL
NODAWAY VALLEY COMMUNITY SCHOOL
NORTH BUTLER COMMUNITY SCHOOL DISTRICT
NORTH CEDAR CSD
NORTH FAYETTE COMMUNITY SCHOOL
NORTH IOWA COMMUNITY SCHOOL
NORTH KOSSUTH COMMUNITY SCHOOL
NORTH MAHASKA COMMUNITY SCHOOL
NORTH POLK COMMUNITY SCHOOL
NORTH SCOTT COMMUNITY SCHOOL
NORTH TAMA COUNTY COMMUNITY SD
NORTH WINNESHIEK COMM SCHOOL
NORTHEAST COMMUNITY SCHOOLS
NORTHEAST HAMILTON CSD
NORTHEAST IOWA COMMUNITY COLLEGE
NORTHERN TRAILS AEA 2
NORTHERN TRAILS TRUST
NORTH-LINN COMMUNITY SCHOOL
NORTHWEST AREA EDUCATION AGENCY
NORTHWEST IOWA COMMUNITY COLLEGE
NORTHWOOD-KENSETT CSD
NORWALK COMMUNITY SCHOOL
ODEBOLT-ARTHUR-BATTLE CREEK-IDA GROVE
(OABCIG)
OELWEIN COMMUNITY SCHOOL
OGDEN COMMUNITY SCHOOL
OKOBOJI COMMUNITY SCHOOL
OKOBOJI CSD-BTC TRUSTEE
OLIN CONSOLIDATED SCHOOL
ORIENT-MACKSBURG COMM SCHOOL
OSAGE COMMUNITY SCHOOL DISTRICT
OTTUMWA COMMUNITY SCHOOL
PARKERSBURG COMMUNITY SCHOOL
PCM COMMUNITY SCHOOL
PEKIN COMMUNITY SCHOOL
PELLA COMMUNITY SCHOOL
PERRY COMMUNITY SCHOOL
PLEASANTVILLE COMMUNITY SCHOOL
PMA REPORTING ISJIT
POCAHONTAS AREA COMM COLLEGE
POMEROY-PALMER SCHOOL
POSTVILLE COMMUNITY SCHOOLS
PR LKS AEA8 WF AS TTEE
PRAIRIE VALLEY COMMUNITY SCHOOL
PRESTON COMMUNITY SCHOOL
RED OAK COMMUNITY SCHOOL

RIVER VALLEY COMMUNITY SCHOOL
ROCK VALLEY COMMUNITY SCHOOL
ROCKWELL CITY-LYTTON CSD
ROLAND STORY CSD
RUDD, ROCKFORD, MARBLE ROCK CSD
SAYDEL COMMUNITY SCHOOL
SCHLESWIG COMMUNITY SCHOOL
SENTRAL COMMUNITY SCHOOL
SERGEANT BLUFF-LUTON CSD
SEYMOUR COMMUNITY SCHOOL
SHELDON COMMUNITY SCHOOL
SHENANDOAH COMMUNITY SCHOOL
SIBLEY-OCHEYEDAN CSD
SIDNEY COMMUNITY SCHOOL
SIGOURNEY COMMUNITY SCHOOL
SIOUX CENTER COMMUNITY SCHOOL
SIOUX CENTRAL CSD
SIOUX CITY COMMUNITY SCHOOL
SOLON COMMUNITY SCHOOL
SOUTH CENTRAL CALHOUN COMMUNITY
SCHOOL DISTRICT
SOUTH HAMILTON COMMUNITY SCHOOL
SOUTH OBRIEN COMM SCHOOL DIST
SOUTH PAGE COMMUNITY SCHOOL
SOUTH TAMA COUNTY CSD
SOUTH WINNESHIEK COMMUNITY
SOUTHEAST POLK COMMUNITY SCHOOL
SOUTHEAST WARREN COMMUNITY
SOUTHEAST WEBSTER-GRAND
SOUTHEASTERN COMMUNITY COLLEGE
SOUTHERN CAL COMMUNITY SCHOOL
SPENCER COMMUNITY SCHOOL
SPRINGVILLE COMMUNITY SCHOOL
ST ANSGAR COMMUNITY SCHOOL
STANTON COMMUNITY SCHOOL
STARMONT COMMUNITY SCHOOL
STORM LAKE COMMUNITY SCHOOL
STRATFORD COMMUNITY SCHOOL
SUMNER COMMUNITY SCHOOL
TIPTON COMMUNITY SCHOOL
TREYNOR COMMUNITY SCHOOL
TRI-CENTER COMMUNITY SCHOOL
TRI-COUNTY COMMUNITY SCHOOL
TRIPOLI COMMUNITY SCHOOL
TURKEY VALLEY COMMUNITY SCHOOL
TWIN CEDARS COMMUNITY SCHOOL
UNDERWOOD COMMUNITY SCHOOL
UNION COMMUNITY SCHOOL
UNITED COMMUNITY SCHOOL
URBANDALE COMMUNITY SCHOOL
VALLEY COMMUNITY SCHOOL
VAN BUREN COMMUNITY SCHOOL
VAN METER COMMUNITY SCHOOL
VENTURA COMMUNITY SCHOOL
VILLISCA COMMUNITY SCHOOL
VINTON-SHELLSBURG COMM SCHOOL
WACO COMMUNITY SCHOOL
WALNUT COMMUNITY SCHOOL

Membership Profile (continued)

WAPELLO COMMUNITY SCHOOL
WAPSIE VALLEY COMMUNITY SCHOOL
WASHINGTON COMMUNITY SCHOOL
WATERLOO COMMUNITY SCHOOL
WAUKEE COMMUNITY SCHOOL
WAYNE COMMUNITY SCHOOL
WEBSTER CITY COMMUNITY SCHOOL
WEST BEND-MALLARD CSD
WEST BRANCH COMMUNITY SCHOOL
WEST BURLINGTON COMMUNITY SCHOOL
WEST CENTRAL COMMUNITY SCHOOL
WEST CENTRAL VALLEY CSD
WEST DELAWARE COMMUNITY SCHOOL
WEST DES MOINES COMMUNITY SCHOOL
WEST FORK COMMUNITY SD
WEST HANCOCK COMMUNITY SCHOOL
WEST HARRISON COMMUNITY SCHOOL
WEST LIBERTY COMMUNITY SCHOOL
WEST LYON COMMUNITY SCHOOL
WEST MARSHALL COMMUNITY SCHOOL
WEST MONONA COMMUNITY SCHOOL
WEST SIOUX COMMUNITY SCHOOL
WESTERN DUBUQUE COMMUNITY SCHOOL
WESTERN IOWA TECH COMM COLLEGE
WESTWOOD COMMUNITY SCHOOL
WHITING COMMUNITY SCHOOL
WILLIAMSBURG COMMUNITY SCHOOL
WILTON COMMUNITY SCHOOL
WINFIELD MT-UNION COMM SCHOOL
WINTERSET COMMUNITY SCHOOL
WOODBURY CENTRAL COMM SCHOOL
WOODWARD-GRANGER COMM SCHOOL

Program Services & Features

° ISJIT is sponsored by the Iowa Association of School Boards (IASB). IASB's management team meets regularly with the program's service providers to monitor all elements of program operation.

° Unique internet-based reporting system, PMA GPS™, offers user-friendly and convenient access to participant's ISJIT accounts at any time over a secured server. PMA GPS™ allows ISJIT participants to process redemptions, purchases, transfers and exchanges online over a secured server. Monthly account statements, daily confirms, historical statements and fixed rate investment portfolios are all available through PMA GPS™.

° Provides daily liquid investment alternative: The Diversified portfolio is tailored to meet specific participant investment needs, and has been structured to produce yields that compare favorably to yields available in other liquid account structures and fixed-term investments with limited liquidity.

° Provides toll-free telephone access to experienced ISJIT representatives who can personally assist with any investment-related inquiry or request.

° Invests available funds with Iowa financial institutions, offering competitive rates of interest, whenever possible.

° Through its Fixed Term Automated Program, ISJIT offers participants the opportunity to purchase certificates of deposit from Iowa financial institutions and other securities that are permitted for investment by school corporations under Iowa law. Within the Fixed Term Program, the Bond Proceeds Management Program offers the perfect investment capability for bond proceeds.

Management Discussion & Analysis

This section of the ISJIT Annual Report presents management's discussion and analysis of the financial position and results of operations for the fiscal years ended June 30, 2018 (FY 2018) and June 30, 2017 (FY 2017). This information is being presented to provide additional information regarding the activities of ISJIT. This discussion and analysis should be read in conjunction with the Independent Auditor's Report of Brooks Lodden P.C., the financial statements, and the accompanying notes.

ISJIT is primarily responsible for providing proactive cash management practices and responsiveness to the unique needs of school corporations across Iowa. ISJIT is a common law trust established under Iowa law pursuant to Chapter 28E and Section 279.29 of the Iowa Code, as amended, which authorizes Iowa schools to jointly invest money pursuant to a joint investment agreement. ISJIT currently operates the Diversified Portfolio. The Diversified Plus and Direct Government Obligation Portfolios suspended operations on January 8, 2009 and October 27, 2010, respectively, due to economic factors and are closed to new investments. ISJIT management expects the Diversified Plus and DGO Portfolios will remain closed to new investments for the foreseeable future, but the ISJIT Board has retained the right to reactivate the portfolios in the future. The objective of the portfolios is to maintain safety of principal and a high degree of liquidity through investment in short-term securities as permitted for Iowa schools under Iowa law. Activities of the Diversified Portfolio are described in the Management's Discussion and Analysis and accompanying financial statements and notes to financial statements.

Overview of the Financial Statements

The Management's Discussion and Analysis provides an introduction to and overview of the financial statements of ISJIT Diversified Portfolio. The following components comprise the financial statements for the Diversified Portfolio: 1) Statement of Assets and Liabilities, 2) Statement of Operations, 3) Statement of Changes in Net Assets 4) Portfolio of Investments for FY 2018, and 5) Notes to Financial Statements. The Statement of Assets and Liabilities displays the financial position (assets and liabilities) of the funds as of June 30, 2018 and 2017. The Statement of Operations displays the results of operations (income and expenses) and the Statement of Changes in Net Assets displays Participant/unitholder activity (sales and redemptions) for each of the two most recent fiscal years. The Portfolio of Investments lists each security held by the Diversified Portfolio as of June 30, 2018. The Notes to Financial Statements describe significant accounting policies of ISJIT and other supplemental information.

Management Discussion & Analysis

Condensed Financial Information and Financial Analysis

Year-to-year variances in most financial statement amounts reported in ISJIT's Diversified Portfolio are caused by a single variable – the level of average net assets (which fluctuates based on the overall levels of Participant/unitholder invested balances). Additionally, changes in the short-term interest rate environment (which follows the general trend established by monetary policy set by the Federal Reserve) contribute to year-over-year variances in the amount of investment income earned.

Condensed financial information and variance explanations for years ended June 30, 2018 and 2017:

Diversified Portfolio:	2018	2017	% Change
Assets	\$ 397,716,754	\$ 336,876,228	18.06%
Liabilities	\$ 468,480	\$ 885,245	-47.08%
Net Assets	\$ 397,248,274	\$ 335,990,983	18.23%
Average Net Assets	\$ 329,586,559	\$ 301,762,276	9.22%
Investment Income	\$ 4,524,630	\$ 1,896,423	138.59%
Total Expenses	\$ 1,021,210	\$ 957,911	6.61%
Net Investment Income	\$ 3,503,420	\$ 938,512	273.30%
Units Sold (\$1 per unit)	1,886,468,750	1,785,197,576	5.67%
Units Redeemed (\$1 per unit)	1,828,614,879	1,763,400,150	3.70%
Total Return	1.020%	0.295%	
Ratio of Expenses to Average Net Assets	0.309%	0.317%	
Ratio of Net Investment Income to Average Net Assets	1.06%	0.31%	
Net Asset Value per Unit, Beginning of Period	\$ 1.000	\$ 1.000	
Net Investment Income per Unit	0.010	0.003	
Dividends Distributed per Unit	(0.010)	(0.003)	
Net Asset Value per Unit, End of Period	\$ 1.000	\$ 1.000	

During FY 2018, the average net assets for the Diversified Portfolio increased 9.22% to \$329,586,559 from average net assets of \$301,762,276 during FY 2017 as a result of deposits by Participants in the Portfolio.

Net investment income increased 273.30% in the Diversified Portfolio during FY 2018 compared to FY 2017 due to changes in the short-term interest rate environment throughout FY 2018.

Expenses of the Portfolio are calculated on the daily net assets totals. Total expenses increased in the Diversified Portfolio during FY 2018 by 6.61% due to the increase in net assets.

Auditor's Opinion Letter



Telford A. Lodden, CPA, CFP®,
CFF, CVA, ABV, Shareholder
Bruce W. Hartley, CPA, Shareholder
John E. Lamale, CPA, Shareholder
Brent L. Alexander, CPA, Shareholder
Anthony E. Wagner, CPA, Shareholder

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and Unitholders
Iowa Schools Joint Investment Trust

Report on the Financial Statements

We have audited the accompanying financial statements of the Iowa Schools Joint Investment Trust (ISJIT) Diversified Portfolio, which comprise the statements of assets and liabilities as of June 30, 2018 and 2017, and the related statements of operations and statements of changes in net assets for the years then ended, and the related notes to the financial statements. We have also audited the accompanying portfolio of investments of the Diversified Portfolio for the year ended June 30, 2018.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Opinion Letter

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the ISJIT Diversified Portfolio as of June 30, 2018 and 2017, and the changes in net assets for the years ended June 30, 2018 and 2017, and the portfolio of investments as of June 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10 and 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2018, on our consideration of ISJIT's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ISJIT's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ISJIT's internal control over financial reporting and compliance.

Brooks Lander, P.C.

West Des Moines, Iowa
September 10, 2018

Iowa Schools Joint Investment Trust- Diversified Portfolio

Portfolio of Investments (June 30, 2018)

Principal Amount	Description	Amortized Value (Note 2)	Market Value
Certificates of Deposit -- 7.6% (a)			
244,986	Access National Bank, Reston, VA, 2.00%, 07/02/2018	\$ 244,987	\$ 244,987
244,996	AIMBank, Littlefield, TX, 1.95%, 07/02/2018	244,996	244,996
244,996	Alpine Bank, Glenwood Springs, CO, 1.95%, 07/02/2018	244,996	244,996
245,004	Amalgamated Bank, New York, NY, 2.00%, 07/02/2018	245,004	245,004
21	Amarillo National Bank, Amarillo, TX, 1.95%, 07/02/2018	21	21
245,004	American National Bank, Omaha, NE, 2.00%, 07/02/2018	245,004	245,004
244,996	Androscoggin Savings Bank, Lewiston, ME, 1.95%, 07/02/2018	244,996	244,996
245,004	Associated Bank, N.A, Greenbay, WI, 2.00%, 07/02/2018	245,004	245,004
10	Bangor Savings Bank, Bangor, ME, 2.00%, 07/02/2018	10	10
244,994	Bangor Savings Bank P.O Box 930, ME, 2.00%, 07/02/2018	244,994	244,994
244,996	Bank of Ann Arbor, Ann Arbor, MI, 1.95%, 07/02/2018	244,996	244,996
118	Bank of Blue Valley, Overland Park, KS, 1.95%, 07/02/2018	118	118
245,004	Bank of China, New York, NY, 2.00%, 07/02/2018	245,004	245,004
245,004	Bank of the Ozarks, Little Rock, AR, 2.00%, 07/02/2018	245,004	245,004
245,004	Bank of Wisconsin Dells, Wisconsin Dells, WI, 2.00%, 07/02/2018	245,004	245,004
244,996	BankNewport, Newport, RI, 1.95%, 07/02/2018	244,996	244,996
30	BankUnited, Miami Lakes, FL, 1.95%, 07/02/2018	30	30
244,972	BankUnited, Miami Lakes, FL, 2.00%, 07/02/2018	244,972	244,972
245,004	BB&T, Winston Salem, NC, 2.00%, 07/02/2018	245,004	245,004
161	Berkshire Bank, Pittsfield, MA, 1.95%, 07/02/2018	161	161
145	Berkshire Bank, Pittsfield, MA, 2.00%, 07/02/2018	145	145
244,996	Blue Hills Bank, Norwood, MA, 1.95%, 07/02/2018	244,996	244,996
245,004	BNB Bank, Bridgehampton, NY, 2.00%, 07/02/2018	245,004	245,004
244,996	BNC National Bank, Glendale, AZ, 1.95%, 07/02/2018	244,996	244,996
244,670	Bofi Federal Bank, San Diego, CA, 1.95%, 07/02/2018	244,670	244,670
244,996	BOKF, National Association, Tulsa, OK, 1.95%, 07/02/2018	244,996	244,996
245,004	Boston Private Bank & Trust Company, Boston, MA, 2.00%, 07/02/2018	245,004	245,004
245,004	Bremer Bank, National Association, South St. Paul, MN, 2.00%, 07/02/2018	245,004	245,004
244,996	BTH Bank NA, Quitman, TX, 1.95%, 07/02/2018	244,996	244,996
244,827	Busey Bank, Champaign, IL, 1.95%, 07/02/2018	244,827	244,827
51,594	Cadence Bank, N.A., Birmingham, AL, 1.95%, 07/02/2018	51,594	51,594
193,096	Cadence Bank, N.A., Birmingham, AL, 2.00%, 07/02/2018	193,096	193,096
245,004	Carolina Alliance Bank, Spartanburg, SC, 2.00%, 07/02/2018	245,004	245,004
244,996	Cass Commercial Bank, Des Peres, MO, 1.95%, 07/02/2018	244,996	244,996
245,004	Centennial Bank, Conway, AR, 2.00%, 07/02/2018	245,004	245,004
245,004	CenterState Bank, N. A., Winter Haven, FL, 2.00%, 07/02/2018	245,004	245,004
245,004	Centier Bank, Merrillville, IN, 2.00%, 07/02/2018	245,004	245,004
245,004	Central Bank of St. Louis, Clayton, MO, 2.00%, 07/02/2018	245,004	245,004
244,996	Central Bank of the Ozarks, Springfield, MO, 1.95%, 07/02/2018	244,996	244,996
244,996	Centreville Bank, West Warwick, RI, 1.95%, 07/02/2018	244,996	244,996
244,996	Chemung Canal Trust Company, Elmira, NY, 1.95%, 07/02/2018	244,996	244,996
244,996	CoBiz Bank, Denver, CO, 1.95%, 07/02/2018	244,996	244,996
244,983	Colony Bank, Fitzgerald, GA, 1.95%, 07/02/2018	244,983	244,983
245,004	Community Bank of Mississippi, Forest, MS, 2.00%, 07/02/2018	245,004	245,004
245,004	Community Bank of the Chesapeake, Waldorf, MD, 2.00%, 07/02/2018	245,004	245,004
244,996	Customers Bank, Wyomissing, PA, 1.95%, 07/02/2018	244,996	244,996
245,004	Dime Community Bank, Brooklyn, NY, 2.00%, 07/02/2018	245,004	245,004
245,004	EagleBank, Bethesda, MD, 2.00%, 07/02/2018	245,004	245,004
244,964	East West Bank, Pasadena, CA, 1.95%, 07/02/2018	244,964	244,964
245,004	Empire National Bank, Islandia, NY, 2.00%, 07/02/2018	245,004	245,004

The accompanying notes are an integral part of these financial statements.

Iowa Schools Joint Investment Trust- Diversified Portfolio

Portfolio of Investments cont. (June 30, 2018)

Principal Amount	Description	Amortized Value (Note 2)	Market Value
Certificates of Deposit -- 7.6% (a) (continued)			
245,004	Enterprise Bank & Trust, Clayton, MO, 2.00%, 07/02/2018	\$ 245,004	\$ 245,004
245,004	Enterprise Bank and Trust Company, Lowell, MA, 2.00%, 07/02/2018	245,004	245,004
244,980	F&M Trust Co of Chambersburg, Chambersburg, PA, 1.95%, 07/02/2018	244,980	244,980
244,996	Farmers Bank & Trust, Great Bend, KS, 1.95%, 07/02/2018	244,996	244,996
245,004	First Bank of Highland Park, Highland Park, IL, 2.00%, 07/02/2018	245,004	245,004
244,996	First Federal Bank of the Midwest, Defiance, OH, 1.95%, 07/02/2018	244,996	244,996
244,996	First Green Bank, Orlando, FL, 1.95%, 07/02/2018	244,996	244,996
244,996	First National Bank of Omaha, Omaha, NE, 1.95%, 07/02/2018	244,996	244,996
245,004	First National Bank of Pennsylvania, Greenville, PA, 2.00%, 07/02/2018	245,004	245,004
244,996	First Resource Bank, Exton, PA, 1.95%, 07/02/2018	244,996	244,996
245,004	First Tennessee Bank Natl Assn, Memphis, TN, 2.00%, 07/02/2018	245,004	245,004
244,996	Five Star Bank, Warsaw, NY, 1.95%, 07/02/2018	244,996	244,996
245,004	Flushing Bank, Uniondale, NY, 2.00%, 07/02/2018	245,004	245,004
245,004	Franklin Synergy Bank, Franklin, TN, 2.00%, 07/02/2018	245,004	245,004
244,996	Freedom Bank, Overland Park, KS, 1.95%, 07/02/2018	244,996	244,996
245,004	Frontier Bank, Omaha, NE, 2.00%, 07/02/2018	245,004	245,004
245,004	Fultoh Bank, N.A., Lancaster, PA, 2.00%, 07/02/2018	245,004	245,004
245,000	FVCbank, Fairfax, VA, 2.00%, 07/02/2018	245,000	245,000
245,004	Georgia Banking Company, Atlanta, GA, 2.00%, 07/02/2018	245,004	245,004
7	Gorham Savings Bank, Gorham, ME, 1.95%, 07/02/2018	7	7
244,997	Gorham Savings Bank, Gorham, ME, 2.00%, 07/02/2018	244,997	244,997
244,996	Great Southern Bank, Reeds Spring, MO, 1.95%, 07/02/2018	244,996	244,996
244,996	Happy State Bank, Happy, TX, 1.95%, 07/02/2018	244,996	244,996
245,004	HarborOne Bank, Brockton, MA, 2.00%, 07/02/2018	245,004	245,004
244,996	Heartland Bank and Trust Company, Bloomington, IL, 1.95%, 07/02/2018	244,996	244,996
245,004	Hills Bank and Trust Company, Hills, IA, 2.00%, 07/02/2018	245,004	245,004
244,996	HomeTown Bank, Redwood Falls, MN, 1.95%, 07/02/2018	244,996	244,996
245,004	Iberiabank, Lafayette, LA, 2.00%, 07/02/2018	245,004	245,004
244,991	Illinois Bank & Trust, Rockford, IL, 1.95%, 07/02/2018	244,991	244,991
244,996	Illinois National Bank, Springfield, IL, 1.95%, 07/02/2018	244,996	244,996
244,996	Independence Bank, Havre, MT, 1.95%, 07/02/2018	244,996	244,996
245,004	Independent Bank, McKinney, TX, 2.00%, 07/02/2018	245,004	245,004
39	Ion Bank, Naugatuck, CT, 1.95%, 07/02/2018	39	39
244,965	Ion Bank, Naugatuck, CT, 2.00%, 07/02/2018	244,965	244,965
244,992	John Marshall Bank, Reston, VA, 1.95%, 07/02/2018	244,992	244,992
244,996	Lafayette Ambassador Bank, Bethlehem, PA, 1.95%, 07/02/2018	244,996	244,996
244,996	Landmark Community Bank, Collierville, TN, 1.95%, 07/02/2018	244,996	244,996
245,004	LegacyTexas Bank, Plano, TX, 2.00%, 07/02/2018	245,004	245,004
244,996	Machias Savings Bank, Machias, ME, 1.95%, 07/02/2018	244,996	244,996
245,004	Manufacturers Bank, Los Angeles, CA, 2.00%, 07/02/2018	245,004	245,004
244,996	Mascoma Bank, Lebanon, NH, 1.95%, 07/02/2018	244,996	244,996
244,996	MB Financial Bank, N.A., Chicago, IL, 1.95%, 07/02/2018	244,996	244,996
245,004	Merchants Bank of Indiana, Carmel, IN, 2.00%, 07/02/2018	245,004	245,004
244,996	Merchants Bank, National Association, Winona, MN, 1.95%, 07/02/2018	244,996	244,996
244,996	MidFirst Bank, Oklahoma City, OK, 1.95%, 07/02/2018	244,996	244,996
245,004	Morton Community Bank, Morton, IL, 2.00%, 07/02/2018	245,004	245,004
244,996	Mutual of Omaha Bank, Omaha, NE, 1.95%, 07/02/2018	244,996	244,996
244,996	Newtown Savings Bank, Newtown, CT, 1.95%, 07/02/2018	244,996	244,996
244,996	Northern Bank & Trust Company, Woburn, MA, 1.95%, 07/02/2018	244,996	244,996
244,996	Northstar Bank, Bad Axe, MI, 1.95%, 07/02/2018	244,996	244,996

The accompanying notes are an integral part of these financial statements.

Iowa Schools Joint Investment Trust- Diversified Portfolio

Portfolio of Investments (June 30, 2018)

Principal Amount	Description	Amortized Value (Note 2)	Market Value
Certificates of Deposit -- 7.6% (a) (continued)			
245,004	Oakstar Bank, Springfield, MO, 2.00%, 07/02/2018	\$ 245,004	\$ 245,004
245,004	Old Line Bank, Bowie, MD, 2.00%, 07/02/2018	245,004	245,004
245,004	Oritani Bank, Township of Washington, NJ, 2.00%, 07/02/2018	245,004	245,004
245,004	Pinnacle Bank, Nashville, TN, 2.00%, 07/02/2018	245,004	245,004
245,004	Pioneer Bank, Mapleton, MN, 2.00%, 07/02/2018	245,004	245,004
244,996	Quad City Bank and Trust Company, Bettendorf, IA, 1.95%, 07/02/2018	244,996	244,996
245,004	Republic Bank & Trust Company, Louisville, KY, 2.00%, 07/02/2018	245,004	245,004
245,004	Revere Bank, Laurel, MD, 2.00%, 07/02/2018	245,004	245,004
244,996	Salisbury Bank and Trust Company, Lakeville, CT, 1.95%, 07/02/2018	244,996	244,996
245,004	Seaside National Bank & Trust, Orlando, FL, 2.00%, 07/02/2018	245,004	245,004
245,004	Security Bank, Tulsa, OK, 2.00%, 07/02/2018	245,004	245,004
32	Simmons Bank, Pine Bluff, AR, 2.00%, 07/02/2018	32	32
119	SmartBank, Pigeon Forge, TN, 1.95%, 07/02/2018	119	119
170	SmartBank, Pigeon Forge, TN, 2.00%, 07/02/2018	170	170
244,996	SouthEast Bank, Farragut, TN, 1.95%, 07/02/2018	244,996	244,996
245,004	Sterling National Bank, Montebello, NY, 2.00%, 07/02/2018	245,004	245,004
55	Stifel Bank and Trust, Saint Louis, MO, 1.95%, 07/02/2018	55	55
244,996	Stockmens Bank, Colorado Springs, CO, 1.95%, 07/02/2018	244,996	244,996
244,996	The Bank of Castile, Castile, NY, 1.95%, 07/02/2018	244,996	244,996
244,993	The Bryn Mawr Trust Company, Bryn Mawr, PA, 1.95%, 07/02/2018	244,993	244,993
244,996	The First Bank and Trust Company, Lebanon, VA, 1.95%, 07/02/2018	244,996	244,996
279	The First National Bank & Trust Co., Okmulgee, OK, 1.95%, 07/02/2018	279	279
245,004	The Park National Bank, Newark, OH, 2.00%, 07/02/2018	245,004	245,004
244,996	The Washington Trust Company of Westerly, Westerly, RI, 1.95%, 07/02/2018	244,996	244,996
245,004	Towne Bank, Portsmouth, VA, 2.00%, 07/02/2018	245,004	245,004
244,996	Traditional Bank, Inc., Mount Sterling, KY, 1.95%, 07/02/2018	244,996	244,996
245,004	TriState Capital Bank, Pittsburgh, PA, 2.00%, 07/02/2018	245,004	245,004
244,996	U.S. Bank National Association, Cincinnati, OH, 1.95%, 07/02/2018	244,996	244,996
245,004	Union Bank, Morrisville, VT, 2.00%, 07/02/2018	245,004	245,004
244,996	United Bank, Fairfax, VA, 1.95%, 07/02/2018	244,996	244,996
244,996	United Texas Bank, Dallas, TX, 1.95%, 07/02/2018	244,996	244,996
244,996	VIST Bank, Wyomissing, PA, 1.95%, 07/02/2018	244,996	244,996
244,996	Waterford Bank, N.A., Toledo, OH, 1.95%, 07/02/2018	244,996	244,996
245,004	WesBanco Bank, Inc., Wheeling, WV, 2.00%, 07/02/2018	245,004	245,004
245,004	West Bank, West Des Moines, IA, 2.00%, 07/02/2018	245,004	245,004
245,004	Western Alliance Bank, Phoenix, AZ, 2.00%, 07/02/2018	245,004	245,004
244,996	Westfield Bank, FSB, Westfield Center, OH, 1.95%, 07/02/2018	244,996	244,996
144,082	WEX Bank, Midvale, UT, 1.95%, 07/02/2018	144,082	144,082
	Total Certificate of deposits	30,279,281	30,279,281
U.S. Government Agency & Treasury Obligations -- 62.0% (a)			
1,410,000	Federal Farm Credit Bank, 2.03%, 07/03/2018 (b)	1,410,688	1,410,292
2,500,000	Federal Farm Credit Bank, 2.03%, 07/03/2018 (b)	2,501,130	2,500,518
100,000	Federal Farm Credit Bank, 1.70%, 07/05/2018	99,989	99,991
1,250,000	Federal Farm Credit Bank, 2.02%, 07/05/2018	1,249,813	1,249,881
5,500,000	Federal Farm Credit Bank, 1.91%, 07/05/2018	5,499,258	5,499,478
1,575,000	Federal Farm Credit Bank, 2.19%, 07/13/2018 (b)	1,576,489	1,576,575
6,000,000	Federal Farm Credit Bank, 1.96%, 07/15/2018 (b)	6,000,000	5,999,616
3,910,000	Federal Farm Credit Bank, 2.22%, 07/15/2018 (b)	3,917,613	3,917,689
3,000,000	Federal Farm Credit Bank, 2.26%, 07/16/2018 (b)	3,008,042	3,008,129

The accompanying notes are an integral part of these financial statements.

Iowa Schools Joint Investment Trust- Diversified Portfolio

Portfolio of Investments cont. (June 30, 2018)

Principal Amount	Description	Amortized Value (Note 2)	Market Value
U.S. Government Agency & Treasury Obligations -- 62.0% (a) (continued)			
2,500,000	Federal Farm Credit Bank, 2.26%, 07/16/2018 (b)	\$ 2,506,848	\$ 2,506,774
6,000,000	Federal Farm Credit Bank, 2.05%, 09/07/2018 (b)	5,999,851	5,999,881
1,000,000	Federal Farm Credit Bank, 1.91%, 09/14/2018	997,909	997,805
3,000,000	Federal Farm Credit Bank, 2.17%, 09/15/2018 (b)	3,000,861	3,001,911
3,755,000	Federal Farm Credit Bank, 2.00%, 09/26/2018	3,745,795	3,745,766
5,000,000	Federal Farm Credit Bank, 1.92%, 09/26/2018	4,976,921	4,976,830
461,000	Federal Farm Credit Bank, 1.84%, 01/07/2019	466,425	465,604
6,000,000	Federal Home Loan Bank, 1.94%, 07/01/2018 (b)	6,000,000	5,998,830
1,065,000	Federal Home Loan Bank, 2.01%, 07/08/2018 (b)	1,065,163	1,065,135
5,300,000	Federal Home Loan Bank, 1.94%, 07/15/2018 (b)	5,300,148	5,299,759
2,000,000	Federal Home Loan Bank, 1.94%, 07/16/2018 (b)	2,000,015	1,999,864
500,000	Federal Home Loan Bank, 1.99%, 07/22/2018 (b)	500,097	500,049
340,000	Federal Home Loan Bank, 2.05%, 07/23/2018 (b)	340,187	340,137
1,980,000	Federal Home Loan Bank, 1.97%, 07/25/2018	1,978,490	1,978,527
1,300,000	Federal Home Loan Bank, 2.13%, 07/26/2018 (b)	1,300,030	1,300,423
4,000,000	Federal Home Loan Bank, 1.93%, 07/26/2018 (b)	4,000,000	3,999,621
540,000	Federal Home Loan Bank, 2.13%, 07/26/2018 (b)	540,014	540,176
600,000	Federal Home Loan Bank, 2.13%, 07/26/2018 (b)	600,034	600,195
1,880,000	Federal Home Loan Bank, 2.13%, 07/26/2018 (b)	1,880,107	1,880,611
6,385,000	Federal Home Loan Bank, 2.13%, 07/26/2018 (b)	6,385,422	6,387,076
2,000,000	Federal Home Loan Bank, 2.13%, 07/26/2018 (b)	1,999,938	2,000,650
2,000,000	Federal Home Loan Bank, 2.13%, 07/26/2018 (b)	2,000,058	2,000,650
1,500,000	Federal Home Loan Bank, 1.60%, 07/27/2018	1,499,623	1,499,221
250,000	Federal Home Loan Bank, 2.00%, 08/07/2018	249,644	249,669
1,775,000	Federal Home Loan Bank, 1.97%, 08/07/2018	1,772,594	1,772,653
250,000	Federal Home Loan Bank, 2.08%, 09/01/2018 (b)	249,964	250,094
600,000	Federal Home Loan Bank, 1.94%, 09/07/2018	597,813	597,833
520,000	Federal Home Loan Bank, 1.98%, 09/11/2018	517,962	518,010
575,000	Federal Home Loan Bank, 1.97%, 09/11/2018	572,746	572,800
520,000	Federal Home Loan Bank, 1.97%, 09/11/2018	517,962	518,010
585,000	Federal Home Loan Bank, 1.94%, 09/12/2018	582,711	582,730
1,250,000	Federal Home Loan Bank, 1.99%, 09/13/2018	1,247,885	1,247,814
400,000	Federal Home Loan Bank, 1.42%, 09/14/2018	400,473	399,918
1,000,000	Federal Home Loan Bank, 2.21%, 09/14/2018 (b)	1,000,212	1,000,392
580,000	Federal Home Loan Bank, 2.21%, 09/14/2018 (b)	580,124	580,227
1,775,000	Federal Home Loan Bank, 1.91%, 09/14/2018	1,775,321	1,774,638
2,000,000	Federal Home Loan Bank, 2.00%, 09/14/2018	1,996,460	1,996,172
1,000,000	Federal Home Loan Bank, 1.97%, 09/14/2018	998,279	998,086
6,000,000	Federal Home Loan Bank, 2.00%, 09/17/2018	5,990,495	5,990,418
15,000,000	Federal Home Loan Bank, 1.97%, 09/17/2018	14,937,275	14,937,765
10,000,000	Federal Home Loan Bank, 1.96%, 09/18/2018	9,957,208	9,957,970
5,000,000	Federal Home Loan Bank, 1.96%, 09/18/2018	4,978,604	4,978,985
2,000,000	Federal Home Loan Bank, 1.99%, 09/20/2018	1,997,092	1,997,150
2,000,000	Federal Home Loan Bank, 1.99%, 09/21/2018	1,996,018	1,995,814
4,000,000	Federal Home Loan Bank, 1.97%, 09/21/2018	3,982,416	3,982,540
9,560,000	Federal Home Loan Bank, 1.97%, 09/21/2018	9,517,973	9,518,271
10,000,000	Federal Home Loan Bank, 1.94%, 09/21/2018	9,956,039	9,956,350
12,000,000	Federal Home Loan Bank, 1.96%, 09/26/2018	11,943,450	11,944,392
13,750,000	Federal Home Loan Bank, 1.97%, 09/27/2018	13,685,131	13,685,540
3,000,000	Federal Home Loan Bank, 1.84%, 01/08/2019	2,998,578	2,993,463

The accompanying notes are an integral part of these financial statements.

Iowa Schools Joint Investment Trust- Diversified Portfolio

Portfolio of Investments (June 30, 2018)

Principal Amount	Description	Amortized Value (Note 2)	Market Value
U.S. Government Agency & Treasury Obligations -- 62.0% (a) (continued)			
7,000,000	Federal Home Loan Mortgage Corporation, 1.96%, 09/11/2018	\$ 6,972,700	\$ 6,973,218
5,000,000	Federal Home Loan Mortgage Corporation, 1.99%, 09/13/2018	4,991,056	4,990,645
10,000,000	Federal Home Loan Mortgage Corporation, 2.00%, 10/12/2018	9,968,428	9,968,060
1,938,000	Federal National Mortgage Association, 1.99%, 07/20/2018	1,937,087	1,937,244
250,000	Federal National Mortgage Association, 2.00%, 07/26/2018	249,799	249,824
1,175,000	Federal National Mortgage Association, 1.25%, 09/18/2018	1,176,568	1,174,776
1,000,000	Federal National Mortgage Association, 1.26%, 09/18/2018	1,001,314	999,809
615,000	Federal National Mortgage Association, 1.75%, 09/18/2018	615,166	614,883
1,677,000	Federal National Mortgage Association, 2.03%, 09/18/2018	1,676,419	1,676,680
1,125,000	Federal National Mortgage Association, 2.00%, 09/18/2018	1,124,683	1,124,785
2,221,000	Federal National Mortgage Association, 2.00%, 09/18/2018	2,220,363	2,220,576
5,000,000	Federal National Mortgage Association, 1.99%, 09/18/2018	4,998,665	4,999,045
10,000,000	Federal National Mortgage Association, 1.90%, 09/26/2018	9,954,204	9,953,660
5,000,000	U.S. Treasury, 1.92%, 09/27/2018	4,976,723	4,977,223
5,000,000	U.S. Treasury, 1.90%, 09/30/2018	4,985,789	4,984,782
Total U.S. Government Agency & Treasury Obligations		246,196,351	246,190,578
Repurchase Agreement -- 30.3% (a)			
50,416,000	Bank of Montreal, 2.05%, 07/02/2018	50,416,000	50,416,000
50,000,000	BNP Paribas, 2.10%, 07/02/2018	50,000,000	50,000,000
10,000,000	Citigroup Global Markets, 1.98%, 07/03/2018	10,000,000	10,000,000
10,000,000	Citigroup Global Markets, 1.99%, 07/03/2018	10,000,000	10,000,000
Total Repurchase Agreement		120,416,000	120,416,000
Total Investments - 99.9% (at amortized cost)		\$ 396,891,632	-
Other assets in excess of liabilities - 0.1%		356,642	-
Net Assets (Participants beneficial interest outstanding) - 100.0%		\$ 397,248,274	

(a) Unless otherwise noted, each issue shows the yield to maturity at the time of purchase (unaudited)

(b) Denotes variable rate securities, which show current rate and next reset date

Note: The categories of investments are shown as a percentage of total net assets at June 30, 2018

Iowa Schools Joint Investment Trust

Statements of Assets and Liabilities

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
	<u>Diversified Portfolio</u>	<u>Diversified Portfolio</u>
Assets		
Investment in securities, at value (Note 1)		
Certificates of deposit	\$ 30,279,281	\$ 12,926,895
U.S. government agency obligations	246,196,351	209,651,714
Repurchase agreement	120,416,000	112,218,000
Total investments, at value	<u>396,891,632</u>	<u>334,796,609</u>
Cash	378,421	1,831,328
Interest receivable	446,701	238,855
Prepaid expenses	-	9,436
	<u>397,716,754</u>	<u>336,876,228</u>
Liabilities		
Cash received from Participants pending investment in fund shares	359,476	770,390
Administration fee payable	22,527	19,713
Investment advisory fee payable	20,794	18,196
Marketing fee payable	24,260	21,229
Sponsorship fee payable	27,725	24,262
Professional fees payable	-	23,629
Custodian and cash management fees payable	1,564	7,826
Administrative expense payable	12,134	-
	<u>468,480</u>	<u>885,245</u>
Net assets (board designated)	100,000	100,000
Net assets (equivalent to \$1.00 per share on shares of Participants beneficial interest outstanding)	<u>\$ 397,148,274</u>	<u>\$ 335,890,983</u>
Shares outstanding		
Diversified Portfolio	397,248,274	335,890,983

Iowa Schools Joint Investment Trust

Statements of Operations

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
	<u>Diversified Portfolio</u>	<u>Diversified Portfolio</u>
Investment income	\$ 4,524,630	\$ 1,896,423
Expenses (Note 2)		
Administration fees	214,229	195,893
Investment advisory fees	197,750	180,824
Marketing fees	230,709	210,962
Sponsorship fees	263,667	241,100
Custodian and cash management fees	39,922	62,668
Professional fees	29,341	49,962
Other expenses	45,592	16,502
Total expenses	<u>1,021,210</u>	<u>957,911</u>
Net investment income	<u>\$ 3,503,420</u>	<u>\$ 938,512</u>

Iowa Schools Joint Investment Trust

Statements of Changes in Net Assets

Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
	<u>Diversified Portfolio</u>	<u>Diversified Portfolio</u>
Increase in net assets		
Net investment income	\$ 3,503,420	\$ 938,512
Dividends to Participants from		
Net investment income	(3,503,420)	(938,512)
Share transactions		
Net proceeds from sale of shares	1,886,468,750	1,785,197,576
Net asset value of shares issued to Participants in reinvestment of dividends	3,503,420	938,512
Cost of shares redeemed	(1,828,614,879)	(1,763,400,150)
Net increase in net assets resulting from share transactions	61,357,291	22,735,938
Total increase in net assets	61,357,291	22,735,938
Net assets		
Beginning of year	335,890,983	313,155,045
End of year	<u>\$ 397,248,274</u>	<u>\$ 335,890,983</u>
 Other information		
Share transactions		
Shares sold	1,886,468,750	1,785,197,576
Shares issued to Participants in reinvestment of dividends	3,503,420	938,512
Shares redeemed	(1,828,614,879)	(1,763,400,150)
Net increase in shares outstanding	61,357,291	22,735,938
Shares outstanding		
Beginning of year	335,890,983	313,155,045
End of year	<u>397,248,274</u>	<u>335,890,983</u>

Iowa Schools Joint Investment Trust

Notes to Financial Statements

June 30, 2018

1. Summary of Significant Accounting Policies

Reporting Entity

Iowa Schools Joint Investment Trust (ISJIT) is a common law trust established under Iowa law pursuant to Chapter 28E and Section 279.29 of the Iowa Code, as amended, which authorizes Iowa schools to jointly invest moneys pursuant to a joint investment agreement. ISJIT is a Standard & Poor's rated local government investment pool pursuant to the requirements of Iowa Code Section 12B.10. ISJIT was established by the adoption of a Joint Powers Agreement and Declaration of Trust as of October 1, 1986, and commenced operations on December 16, 1986. The Joint Powers Agreement and Declaration of Trust was amended on November 1, 1988, and again on May 1, 1993. Under this authority, ISJIT operates various investment programs for its Participants, which include the Diversified Portfolio. The Diversified Plus and DGO Portfolios are authorized investment programs that suspended operations on January 8, 2009 and October 27, 2010, respectively, due to economic factors. The Trustees have retained the right to reactivate these Portfolios in the future. The accompanying financial statements include only the activities of the Diversified Portfolio.

Regulatory Oversight

The operation of ISJIT is governed by a six member Board of Trustees, and non-voting persons as may be appointed by the Board. Trustees are appointed by the Board of Trustees, of which four of the Trustees shall be members of the Board of Directors of Iowa Association of School Boards (IASB), who are directors participating in ISJIT, a superintendent of a school corporation participating in ISJIT, and a school board secretary or business official of a school corporation participating in ISJIT. IASB serves as the Sponsor of ISJIT.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

ISJIT reports the Diversified Portfolio's financial position and the results of operations using investment trust funds. Investment trust funds are fiduciary funds that are used to account for the assets held in a trustee capacity. The primary purpose of the funds is to generate financial resources while maintaining a high degree of liquidity and safety of principal through investment in short-term securities as permitted for the Participants under the Iowa Code.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording assets, liabilities, net assets, revenues, expenditures, and other financing sources and uses. The financial statements are accounted for on a flow of economic resources measurements focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The financial statements of ISJIT have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) as applicable to the governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles.

Use of Estimates

The preparation of financial statements under GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the period. Actual results could differ from those estimates. The most sensitive estimate affecting the financial statements is interest receivable. Management's estimate of interest receivable is based on the accretion of interest on a straight-line basis over the term of the investment with a cutoff at June 30, 2018.

Authorized Investments

ISJIT's policy is to only invest in securities specifically permitted for Participants under the Iowa Code, as it now or in the future exists, including the following types of securities and instruments:

Securities issued or guaranteed as to payment of principal and interest by the U.S. Government. These include, for example, Treasury bills, bonds, and notes that are direct obligations of the U.S. Government.

Obligations issued or guaranteed as to payment of principal and interest by agencies or instrumentalities of the U.S. Government. Such agencies and instrumentalities include, for example, Federal Intermediate Credit Banks, Federal Home Loan Banks, the Federal National Mortgage Association, and the Farmers Home Administration.

Iowa Schools Joint Investment Trust

Notes to Financial Statements

June 30, 2018

Such securities will include those supported by the full faith and credit of the United States Treasury or the right of the agency or instrumentality to borrow from the Treasury, as well as those supported only by the credit of the issuing agency or instrumentality.

Collateralized repurchase agreements secured by U.S. Government or U.S. Government agency obligations. A repurchase agreement involves the sale of such securities to ISJIT with the concurrent agreement of the seller to repurchase them at a specified time and price to yield an agreed upon rate of interest. The securities collateralizing the agreement are held in custody by a third-party custodian, are regularly verified by ISJIT's Custodian, and are maintained daily in an amount equal to at least 102% of the agreement.

Certificates of Deposits in federally insured Iowa financial institutions. Each CD that ISJIT places with an Iowa institution on behalf of the Participants in ISJIT is insured by FDIC for the first \$250,000 of value. All amounts in excess of \$250,000 in an Iowa institution are protected by provisions in the Iowa Code. The acceptance of public funds by a financial institution constitutes agreement by the financial institution to pledge collateral as required by Iowa Code Section 12C.22 and agreement by the financial institution to provide accurate information and to otherwise comply with the requirements of Iowa Code Chapter 12C.

Commercial paper or other short-term corporate debt that matures within two hundred seventy days and that is rated within the two highest classifications, as established by at least one of the standard rating services approved by the Iowa superintendent of banking provided that at the time of purchase, no more than five percent of all amounts invested in commercial paper and other short-term corporate debt shall be invested in paper and debt rated in the second highest classification. At the time of purchase no more than ten percent of the investment portfolio shall be in these investments and that at the time of purchase no more than five percent of the investment portfolio shall be invested in securities of a single issuer. Effective May 18, 2017, the ISJIT Board prohibited investments in Commercial Paper.

ISJIT adheres to Iowa law and Standard and Poor's criteria for money market funds developed to minimize risk that the value of investments in the portfolio might vary. ISJIT's investment policy presently places several restrictions on ISJIT's portfolio investments, including the following:

- The remaining maturity of any individual investment may not exceed more than 397 days from the date of purchase.
- The maximum dollar weighted average maturity of all portfolios' investments may not exceed 60 days.
- Investments are monitored by its Investment Advisor and Administrator to assure that the value of each ISJIT investment does not materially deviate in the value from its amortized cost.

As a general policy, investments are held until maturity. However, in an effort to increase yields or liquidity, ISJIT may sell securities and realize capital gains or losses when there are perceived disparities between maturities for various categories of investments.

Deposits and Investment

ISJIT reports as "Cash" all cash on hand and on deposit in banks. All cash deposits are held by banks as required under Chapter 12C of the Code of Iowa. Certificates of Deposit are listed separately on the financial statements.

ISJIT reports investments at amortized cost, consistent with Government Accounting Standards. Amortized cost involves valuing a portfolio security at its original date of purchase, and thereafter amortizing any premium or accreting any discount on a straight-line basis to maturity. The amount of premium or discount amortized or accreted to income under the straight-line method does not differ materially from the amount that would be amortized to income under the interest method. These procedures are followed in an effort to maintain a constant net asset value of \$1.00 per unit for each portfolio.

Investments are purchased on a delivery versus payment basis and are accounted for on the settlement date. No other settlement procedure is allowed. Interest income, including the accretion of discount and amortization of premium, is recorded daily on the accrual basis.

Iowa Schools Joint Investment Trust

Notes to Financial Statements

June 30, 2018

Method used to determine participants' units sold and redeemed

On a daily basis, ISJIT declares dividends and distributions from its net investment income, other income and net realized gains or losses from securities transactions, if any. Dividends and distributions are payable to Participants of record at the time of the previous computation of their net asset value.

All purchases or withdrawals of shares of the Diversified Portfolio are executed at the net asset value per share determined at the close of that day as long as a properly executed order is received by the Distributor, the funds are received on a timely basis and the Participant notifies the Administrator prior to 10:00 a.m., central time. Orders received after this time will be executed on the following business day. Participants are entitled to receive dividends beginning on the day of purchase.

Fair Value Measurement

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The Diversified Portfolio meets all necessary criteria in GASB Statement No. 79 to elect to measure all of its investments at amortized cost, which approximates fair value.

Frequency of determining value of shares

The net asset value of each portfolio trust unit is determined once each day, as of the close of the New York Stock Exchange. Except for federal holidays and such other holidays that are officially observed by commercial banks in Iowa, the Administrator will compute the portfolio net asset value on each day the New York Stock Exchange is open for trading. The net asset value of each portfolio trust unit is computed by adding the value of all securities and other assets (including income receivable), subtracting liabilities (including accrued expenses) attributable to each portfolio and dividing by the number of trust units of each portfolio outstanding.

The Administrator computes the net asset value of portfolio trust units by using the amortized cost method for valuing securities. Under the amortized cost method a security is initially valued at cost on the date of purchase and, thereafter, any discount or premium is amortized on a straight-line basis to maturity, regardless of fluctuating interest rates or the market value of the security. However, the Investment Advisor has established procedures to stabilize the net asset value of trust units at \$1.00 per trust unit. These procedures include a review by the Investment Advisor as to the extent of the deviation of net asset value based upon available market quotations from the portfolio's \$1.00 amortized cost per value unit. If such deviation exceeds 0.5%, the Investment Advisor will consider what action, if any, should be initiated to reasonably eliminate or reduce material dilution or other results to Participants.

Legally binding guarantees

The Board of Trustees has not provided or obtained any legally binding guarantees during the fiscal years ended June 30, 2018 and 2017.

Involuntary participation

There is no requirement under Iowa law for any local government to involuntarily participate in ISJIT.

Limitations or restrictions on withdrawals

Withdrawals will be processed by the close of that day as long as the Participant notifies the administrator prior to 10:00 a.m., central time. Orders received after this time will be executed on the following business day.

Income Taxes

ISJIT is exempt from both state and federal income taxes pursuant to Section 115 of the Internal Revenue Code.

2. Fees and Expenses

ISJIT has entered into contracts for the following services: Administrator, Investment Advisor, Marketing, Sponsorship, and Custodian. In addition, ISJIT also pays the operating expenses incurred directly by ISJIT and its Trustees in connection with the discharge of their duties. During the fiscal year ended June 30, 2017, Bankers Trust Company (Bankers Trust) served as Custodian through November 30, 2016. However, commencing on December 1, 2016,

Iowa Schools Joint Investment Trust

Notes to Financial Statements

June 30, 2018

the Custodian for ISJIT changed to Wells Fargo Bank, ("Wells Fargo"). During the fiscal years ended June 30, 2018 and 2017, PMA Financial Network Inc. ("PMA") served as Administrator, RBC Global Asset Management (US) Inc. (RBC GAM) served as the Investment Advisor, PMA Securities, Inc. (PMA) served as the Marketing Services Provider, and IASB served as the Sponsor. Under separate agreements, RBC GAM, PMA and IASB are paid fees based upon a percentage of ISJIT's average daily net assets. Bankers Trust was paid fees based upon a percentage of ISJIT's average daily net assets through November 30, 2016. All fees are computed on a daily basis and paid monthly to the service providers.

Administrator

Under its administration agreement with ISJIT, PMA services all shareholder accounts, maintains the books and records, provides administrative personnel, equipment and office space, determines the net asset value of the Diversified Portfolio on a daily basis and performs all related administrative services. Furthermore, under the agreement, the Administrator bears the Fund's expenses for printing certain documents and administrative costs of the Fund (such as postage, telephone charges, and computer time).

PMA receives a fee equal to 0.065% of the average daily net asset value of the Diversified Portfolio. This contractual fee is gross of any fees that PMA may voluntarily agree to waive. For the year ended June 30, 2018, the Diversified Portfolio incurred actual expenses of \$214,229 for services provided by PMA. For the year ended June 30, 2017, the Diversified Portfolio incurred actual expenses of \$195,893 for services provided by PMA. The amount due to PMA on June 30, 2018 was \$22,527 and the amount due to PMA on June 30, 2017 was \$19,713 for the Diversified Portfolio.

Investment Advisor

Under its investment advisory agreement with ISJIT, RBC GAM receives a fee equal to 0.060% of the average daily net asset value for the Diversified Portfolio for investment advisor services. This contractual fee is gross of any fees that RBC GAM may voluntarily agree to waive. For the year ended June 30, 2018, the Diversified Portfolio incurred actual expenses of \$197,750 for services provided by RBC GAM. For the year ended June 30, 2017, the Diversified Portfolio incurred actual expenses of \$180,824 for services provided by RBC GAM. The amount due to RBC GAM at June 30, 2018 and 2017 was \$20,794 and \$18,196, respectively, for the Diversified Portfolio.

Custodian

Under its agreement for custodial services, Wells Fargo receives a fee equal to 0.003% of the average daily net asset value for the Diversified Portfolio plus the cost of account maintenance and transactions. This contractual fee is gross of any fees that Wells Fargo may voluntarily agree to waive. For the year ended June 30, 2018, the Diversified Portfolio incurred actual expenses of \$38,926 for services provided by Wells Fargo. ISJIT changed custodians from Bankers Trust to Wells Fargo on December 1, 2016. For the fiscal year ended June 30, 2017, the Diversified Portfolio incurred actual expenses of \$22,833 for services provided by Bankers Trust through November 30, 2016. The Diversified Portfolio incurred actual expenses of \$19,760 for services provided by Wells Fargo for custodian services for the period December 1, 2016 through June 30, 2017. The amount due to Wells Fargo at June 30, 2018 and 2017 was \$4,669 and \$5,935 respectively for the Diversified Portfolio.

Marketing

Under its marketing services agreement with ISJIT, PMA receives a fee equal to 0.070% of the average daily net asset value of the Portfolio. This contractual fee is gross of any fees that PMA may voluntarily agree to waive. For the years ended June 30, 2018 and 2017, the Diversified Portfolio incurred actual expenses of \$230,709 and \$210,962, respectively, for services provided by PMA for marketing. The amount due to PMA at June 30, 2018 and 2017 was \$24,260 and \$21,229, respectively for the Diversified Portfolio.

Sponsorship

Under its sponsorship agreement with ISJIT, IASB receives an annual fee equal to 0.080% of the average daily net asset value of the Portfolios. This contractual fee is gross of any fees that IASB may voluntarily agree to waive. For the year ended June 30, 2018, the Diversified Portfolio incurred actual expenses of \$263,667 to IASB. For the year ended June 30, 2017, the Diversified Portfolio incurred actual expenses of \$241,100 to IASB. The amount due to IASB at June 30, 2018 and 2017 was \$27,725 and \$24,262 respectively, for the Diversified Portfolio.

Iowa Schools Joint Investment Trust

Notes to Financial Statements

June 30, 2018

Other Fund Expenses

The Fund pays out-of-pocket expenses incurred by its Trustees (in connection with the discharge of their duties), insurance for the Trustees, fees to have the Diversified Portfolio rated, audit fees, legal fees and cash management fees.

For the year ended June 30, 2018, the Diversified Portfolio incurred cash management expenses of \$22,760. ISJIT changed providers from Bankers Trust to Wells Fargo on December 1, 2016. For the fiscal year ended June 30, 2017, the Diversified Portfolio incurred cash management expenses of \$8,415 for services provided by Bankers Trust through November 30, 2016. The Diversified Portfolio incurred expenses of \$11,660 for services provided by Wells Fargo for the period December 1, 2016 through June 30, 2017. The amounts due Wells Fargo for cash management services at June 30, 2018 and 2017 were \$1,924 and \$1,891, respectively. Effective January 31, 2018, the ISJIT board collects 3.5 basis points for the Administrative Expense account.

3. Net Assets (board designated)

The ISJIT Board has designated \$100,000 for the insurance deductible it anticipates it would pay in the event of a claim against the Fund. Through the fiscal year ended June 30, 2017, that balance was reflected in the cash balance of the Diversified Portfolio and was held in a segregated deposit account at the Custodian. Effective in the fiscal year ended June 30, 2018, and at the direction of the Board, that balance was reinvested into shares of the Diversified Portfolio and is held in their Administrative Expense account.

4. Deposit and Investment Risk Disclosures

Under Governmental Accounting Standards Statement No. 40, Deposit and Investment Risk Disclosures (GASB 40), the deposit and investments of state and local governments are exposed to risks that have the potential to result in losses. This Statement addresses common deposit and investment risks related to interest rate risk, credit risk, custodial credit risk, and concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that the instruments in which ISJIT invests will decline in value because of changes in interest rates. As a means of limiting its exposure to losses arising from rising interest rates, ISJIT's investment policy limits the purchase of investments to a maturity date of no more than 397 days from the purchase date. The maximum dollar weighted average maturity for each Portfolio is 60 days or less. Any commercial paper and other short-term corporate debt purchased for the Diversified Plus Portfolio is further limited to a maturity of no more than 270 days from the purchase date.

Credit Risk

Credit risk is the risk that the issuer of a particular security will default. ISJIT is only authorized to invest in instruments authorized by Iowa law which governs the investment of funds by Iowa governmental agencies. The investments in the Federal agencies (Federal Home Loan Mortgage Co., Federal National Mortgage Assn., and Federal Home Loan Bank) are all rated AA+ by Standard and Poor's. The Repurchase Agreements are all collateralized by Federal agency notes which are rated AA+ by Standard and Poor's. The investment in Certificate of Deposits in Iowa financial institutions is insured by the FDIC for the first \$250,000 and amounts in excess of that are protected by collateralization provisions in the Iowa Code.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, ISJIT will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. In connection with transactions in repurchase agreements, a third party custodian takes possession of the underlying collateral securities, the value of which exceeds the principal amount of the repurchase transaction, including accrued interest at all times. If the seller defaults and the value of the collateral declines, realization of the collateral by ISJIT may be delayed or limited.

Iowa Schools Joint Investment Trust

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June 30, 2018

At June 30, 2018 the securities purchased under overnight agreements to resell were collateralized by government and government agency securities with market values of \$51,424,393, \$51,000,000, \$10,200,090 and \$10,200,081 for the Diversified Portfolio. At June 30, 2017 the securities purchased under overnight agreements to resell were collateralized by government and government agency securities with market values of \$73,662,406 and 40,800,059 for the Diversified Portfolio.

Concentration of Credit Risk

ISJIT complies with the following Standard & Poor's limits with respect to the concentration of portfolio investments: 1) 25% maximum concentration per counterparty if less than or equal to 7 days to maturity and a 10% limit beyond 7 days to maturity for repurchase agreements for all Portfolios; and 2) 10% in total and a maximum of 5% of any single issuer for commercial paper and other short-term corporate debt for the Diversified Portfolio.

5. Fixed Term Automated Program

In addition to the Diversified Portfolio, through its Fixed Term Automated Program (the "FTA Program"), ISJIT offers Participants the opportunity to purchase deposits from Iowa financial institutions and other fixed term securities and instruments that are permitted for Participants under the Iowa Investment Statute. ISJIT has contracted with PMA Financial Network, Inc. and its affiliate, PMA Securities, Inc. (together, "PMA"), to administer the FTA Program. The issuers of the instruments offered through the FTA Program are all eligible issuers that meet the credit criteria established by PMA (a "Program Provider"), and which are approved by ISJIT's Board of Trustees. The FTA assets are titled in ISJIT's name and federal identification number, for the benefit of the individual Participant. Therefore, the assets are accounted for on the balance sheets of the individual Participant.

All Funds invested in the Fixed Term Automated Program are secured in accordance with provisions of Chapter 12C of the Iowa Code, "Deposit of Public Funds" and the implementing rules and regulations, as amended from time to time.

As of June 30, 2018 the total outstanding balance in the FTA program was \$315,846,009. Total fees for administration of the FTA program during the year were \$579,558 with \$521,602 paid to PMA and \$57,956 paid to IASB. As of June 30, 2017 the total outstanding balance in the FTA program was \$324,897,344. Total fees for administration of the FTA program during the year were \$325,178 with \$292,660 paid to PMA and \$32,518 paid to IASB.

6. Date of Management's Review

Subsequent events were evaluated through September 10, 2018, the date the financial statements were available to be issued.