

ISJIT

Iowa Schools Joint Investment Trust

2023 ANNUAL FINANCIAL REPORT

JUNE 30, 2023 AND 2022

Sponsored by:
Iowa Association of School Boards



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Statement from the Iowa Association of School Boards



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 an affiliated program of the Iowa Association of School Boards (IASB), governed by a representative board of trustees, and served by a dedicated team of professionals.

Over the last year, interest rates have continued to see a consistent increase which has provided opportunities for higher yields for our school districts. Regardless of the economic environment, the ISJIT investment policy emphasizes the protection of the principal and seeks to maximize its yield opportunity. The ISJIT investment advisor continues to manage and monitor the economic environment under the oversight of the ISJIT board of trustees.

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. We appreciate your continuing support as we strengthen the Iowa Association of School Boards and focus our efforts on serving Iowa's education community.

Sincerely,

D.T. Magee
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, 2023. 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 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 U.S. Bank (custodian). These companies continue to provide a high level of service to ISJIT's participants, while they proactively seek to maximize returns to participants in an environment where interest rates continue to increase. 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.

In addition to the program providers, Beth Grob, Ahlers Law Firm serves as ISJIT's legal counsel. BergankDVK, serves as the trust's independent auditors.

Paul Kruse continues as the marketing representative 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 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 ISJIT Board of Trustees,

Elizabeth Brennan
Chair



Board of Trustees & Team of Professionals

Elizabeth Brennan, Chair & Trustee
Heartland AEA

Jared McDonald, Vice Chair & Trustee
Winterset Community Schools

Paul Bobek, Treasurer & Assistant Secretary
West Des Moines Community Schools

Laurie Noll, Trustee
Fairfield Community Schools

Mary Poulter, Trustee
Colfax-Mingo Community Schools

Jim Green, Trustee
Grant Wood AEA

Lisa Bartusek, Ex-Officio Trustee & Secretary
Iowa Association of School Boards

Calvin VandeKrol, Ex-Officio Trustee & Secretary
Iowa Association of School Boards

PMA Financial Network, LLC
Administrator

RBC Global Asset Management (US) Inc.
Investment Advisor

U.S. Bank
Custodian

PMA Securities, LLC
Marketing Representative

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

BerganKDV, LTD
Independent Auditors

Iowa Association of School Boards
Affiliated Association



Membership Profile

- ADAIR-CASEY COMMUNITY SCHOOLS
- ADEL-DESOTO-MINBURN COMMUNITY SCHOOLS
- AGWSR COMMUNITY SCHOOLS
- AHSTW COMMUNITY SCHOOLS
- AKRON-WESTFIELD COMMUNITY SCHOOLS
- ALBERT CITY-TRUESDALE COMMUNITY SCHOOLS
- ALBIA COMMUNITY SCHOOLS
- ALBURNETT COMMUNITY SCHOOLS
- ALDEN COMMUNITY SCHOOLS
- ALGONA COMMUNITY SCHOOLS
- ALLAMAKEE COMMUNITY SCHOOLS
- ALTA-AURELIA COMMUNITY SCHOOLS
- AMES COMMUNITY SCHOOLS
- ANAMOSA COMMUNITY SCHOOLS
- ANDREW COMMUNITY SCHOOLS
- ANKENY COMMUNITY SCHOOLS
- APLINGTON-PARKERSBURG COMMUNITY SCHOOLS
- AR-WE-VA COMMUNITY SCHOOLS
- ATLANTIC COMMUNITY SCHOOLS
- AUDUBON COMMUNITY SCHOOLS
- BALLARD COMMUNITY SCHOOLS
- BAXTER COMMUNITY SCHOOLS
- BCLUW COMMUNITY SCHOOLS
- BEDFORD COMMUNITY SCHOOLS
- BELLE PLAINE COMMUNITY SCHOOLS
- BELLEVUE COMMUNITY SCHOOLS
- BELMOND-KLEMMME COMMUNITY SCHOOLS
- BENNETT COMMUNITY SCHOOLS
- BENTON COMMUNITY SCHOOLS
- BETTENDORF COMMUNITY SCHOOLS
- BGM COMMUNITY SCHOOLS
- BONDURANT-FARRAR COMMUNITY SCHOOLS
- BOONE COMMUNITY SCHOOLS
- BOYDEN-HULL COMMUNITY SCHOOLS
- BOYER VALLEY COMMUNITY SCHOOLS
- BURLINGTON COMMUNITY SCHOOLS
- CAL COMMUNITY SCHOOLS
- CALAMUS-WHEATLAND COMMUNITY SCHOOLS
- CAM COMMUNITY SCHOOLS
- CAMANCHE COMMUNITY SCHOOLS
- CARDINAL COMMUNITY SCHOOLS
- CARLISLE COMMUNITY SCHOOLS
- CARROLL COMMUNITY SCHOOLS
- CEDAR FALLS COMMUNITY SCHOOLS
- CEDAR RAPIDS COMMUNITY SCHOOLS
- CENTER POINT-URBANA COMMUNITY SCHOOLS
- CENTERVILLE COMMUNITY SCHOOLS
- CENTRAL CITY COMMUNITY SCHOOLS
- CENTRAL COMMUNITY SCHOOLS
- CENTRAL DECATUR COMMUNITY SCHOOLS
- CENTRAL DEWITT COMMUNITY SCHOOLS
- CENTRAL LEE COMMUNITY SCHOOLS
- CENTRAL LYON COMMUNITY SCHOOLS
- CENTRAL RIVERS AEA
- CENTRAL SPRINGS COMMUNITY SCHOOLS
- CHARITON COMMUNITY SCHOOLS
- CHARLES CITY COMMUNITY SCHOOLS
- CHEROKEE COMMUNITY SCHOOLS
- CLARINDA COMMUNITY SCHOOLS
- CLARKE COMMUNITY SCHOOLS
- CLARKSVILLE COMMUNITY SCHOOLS
- CLAY CENTRAL-EVERLY COMMUNITY SCHOOLS
- CLEAR CREEK AMANA COMMUNITY SCHOOLS
- CLEAR LAKE COMMUNITY SCHOOLS
- CLINTON COMMUNITY SCHOOLS
- COLFAX-MINGO COMMUNITY SCHOOLS
- COLLEGE COMMUNITY SCHOOLS
- COLLINS-MAXWELL COMMUNITY SCHOOLS
- COLO-NESCO COMMUNITY SCHOOLS
- COLUMBUS COMMUNITY SCHOOLS
- COON RAPIDS-BAYARD COMMUNITY SCHOOLS
- CORNING COMMUNITY SCHOOLS
- COUNCIL BLUFFS COMMUNITY SCHOOLS
- CRESTON COMMUNITY SCHOOLS
- DALLAS CENTER-GRIMES COMMUNITY SCHOOLS
- DANVILLE COMMUNITY SCHOOLS
- DAVENPORT COMMUNITY SCHOOLS
- DAVIS COUNTY COMMUNITY SCHOOLS
- DECORAH COMMUNITY SCHOOLS
- DELWOOD COMMUNITY SCHOOLS
- DENISON COMMUNITY SCHOOLS
- DENVER COMMUNITY SCHOOLS
- DES MOINES AREA COMMUNITY COLLEGE
- DES MOINES INDEPENDENT SCHOOL DISTRICT
- DIAGONAL COMMUNITY SCHOOLS
- DIKE-NEW HARTFORD COMMUNITY SCHOOLS
- DUBUQUE COMMUNITY SCHOOLS
- DUNKERTON COMMUNITY SCHOOLS
- DURANT COMMUNITY SCHOOLS
- EAGLE GROVE COMMUNITY SCHOOLS
- EARLHAM COMMUNITY SCHOOLS
- EAST BUCHANAN COMMUNITY SCHOOLS
- EAST MARSHALL COMMUNITY SCHOOLS
- EAST MILLS COMMUNITY SCHOOLS
- EAST SAC COMMUNITY SCHOOLS
- EAST UNION COMMUNITY SCHOOLS
- EASTERN ALLAMAKEE COMMUNITY SCHOOLS
- EASTON VALLEY COMMUNITY SCHOOLS
- EDDYVILLE-BLAKESBURG-FREMONT COMMUNITY SCHOOLS
- EDGEWOOD-COLESBURG COMMUNITY SCHOOLS
- ELDORA-NEW PROVIDENCE COMMUNITY SCHOOLS
- EMMETSBURG COMMUNITY SCHOOLS
- ENGLISH VALLEYS COMMUNITY SCHOOLS
- ESSEX COMMUNITY SCHOOLS
- ESTHERVILLE LINCOLN CENTRAL COMMUNITY SCHOOLS
- EXIRA-ELK HORN-KIMBALLTON COMMUNITY SCHOOLS
- FAIRFIELD COMMUNITY SCHOOLS
- FOREST CITY COMMUNITY SCHOOLS
- FORT DODGE COMMUNITY SCHOOLS
- FORT MADISON COMMUNITY SCHOOLS
- FREMONT-MILLS COMMUNITY SCHOOLS
- GALVA-HOLSTEIN COMMUNITY SCHOOLS
- GARNER-HAYFIELD-VENTURA COMMUNITY SCHOOLS
- GEORGE-LITTLE ROCK COMMUNITY SCHOOLS



Membership Profile (continued)

GILBERT COMMUNITY SCHOOLS
GILMORE CITY-BRADGATE COMMUNITY SCHOOLS
GLADBROOK-REINBECK COMMUNITY SCHOOLS
GLENWOOD COMMUNITY SCHOOLS
GLIDDEN-RALSTON COMMUNITY SCHOOLS
GMG COMMUNITY SCHOOLS
GRAETTINGER-TERRIL COMMUNITY SCHOOLS
GRANT WOOD AEA
GREAT PRAIRIE AEA
GREEN HILLS AEA
GREENE COUNTY COMMUNITY SCHOOLS
GRINNELL-NEWBURG COMMUNITY SCHOOLS
GRISWOLD COMMUNITY SCHOOLS
GRUNDY CENTER COMMUNITY SCHOOLS
GUTHRIE CENTER COMMUNITY SCHOOLS
HAMBURG COMMUNITY SCHOOLS
HAMPTON-DUMONT COMMUNITY SCHOOLS
HARLAN COMMUNITY SCHOOLS
HARRIS-LAKE PARK COMMUNITY SCHOOLS
HARTLEY-MELVIN-SANBORN COMMUNITY SCHOOLS
HAWKEYE COMMUNITY COLLEGE
HEARTLAND AEA
HIGHLAND COMMUNITY SCHOOLS
HINTON COMMUNITY SCHOOLS
HLV COMMUNITY SCHOOLS
HOWARD-WINNESHIEK COMMUNITY SCHOOLS
HUBBARD-RADCLIFFE COMMUNITY SCHOOLS
HUDSON COMMUNITY SCHOOLS
HUMBOLDT COMMUNITY SCHOOLS
IKM-MANNING COMMUNITY SCHOOLS
INDEPENDENCE COMMUNITY SCHOOLS
INDIAN HILLS COMMUNITY COLLEGE
INDIANOLA COMMUNITY SCHOOLS
INTERSTATE 35 COMMUNITY SCHOOLS
IOWA CITY COMMUNITY SCHOOLS
IOWA FALLS COMMUNITY SCHOOLS
IOWA LAKES COMMUNITY COLLEGE
IOWA VALLEY COMMUNITY COLLEGE DISTRICT
IOWA VALLEY COMMUNITY SCHOOLS
IOWA WESTERN COMMUNITY COLLEGE
JANESVILLE CONSOLIDATED SCHOOLS
JESUP COMMUNITY SCHOOLS
JOHNSTON COMMUNITY SCHOOLS
KEOKUK COMMUNITY SCHOOLS
KEOTA COMMUNITY SCHOOLS
MEMBERSHIP PROFILE
KEYSTONE AEA
KINGSLEY-PIERSON COMMUNITY SCHOOLS
KIRKWOOD COMMUNITY COLLEGE
KNOXVILLE COMMUNITY SCHOOLS
LAKE MILLS COMMUNITY SCHOOLS
LAMONI COMMUNITY SCHOOLS
LAURENS-MARATHON COMMUNITY SCHOOLS
LAWTON-BRONSON COMMUNITY SCHOOLS
LE MARS COMMUNITY SCHOOLS
LENOX COMMUNITY SCHOOLS
LEWIS CENTRAL COMMUNITY SCHOOLS

LINN-MAR COMMUNITY SCHOOLS
LISBON COMMUNITY SCHOOLS
LOGAN-MAGNOLIA COMMUNITY SCHOOLS
LONE TREE COMMUNITY SCHOOLS
LOUISA-MUSCATINE COMMUNITY SCHOOLS
LU VERNE COMMUNITY SCHOOLS
LYNNVILLE-SULLY COMMUNITY SCHOOLS
MADRID COMMUNITY SCHOOLS
MANSON NORTHWEST WEBSTER COMMUNITY SCHOOLS
MAPLE VALLEY-ANTHON OTO COMMUNITY SCHOOLS
MAQUOKETA COMMUNITY SCHOOLS
MAQUOKETA VALLEY COMMUNITY SCHOOLS
MARCUS-MERIDEN-CLEGHORN COMMUNITY SCHOOLS
MARION INDEPENDENT SCHOOL DISTRICT
MARSHALLTOWN COMMUNITY SCHOOLS
MARTENSDALE-ST MARYS COMMUNITY SCHOOLS
MASON CITY COMMUNITY SCHOOLS
MEDIAPOLIS COMMUNITY SCHOOLS
MELCHER-DALLAS COMMUNITY SCHOOLS
MFL MARMAC COMMUNITY SCHOOLS
MIDLAND COMMUNITY SCHOOLS
MID-PRAIRIE COMMUNITY SCHOOLS
MISSISSIPPI BEND AEA
MISSOURI VALLEY COMMUNITY SCHOOLS
MOC-FLOYD VALLEY COMMUNITY SCHOOLS
MONTEZUMA COMMUNITY SCHOOLS
MONTICELLO COMMUNITY SCHOOLS
MORMON TRAIL COMMUNITY SCHOOLS
MORNING SUN COMMUNITY SCHOOLS
MOULTON-UDELL COMMUNITY SCHOOLS
MT AYR COMMUNITY SCHOOLS
MT PLEASANT COMMUNITY SCHOOLS
MT VERNON COMMUNITY SCHOOLS
MURRAY COMMUNITY SCHOOLS
MUSCATINE COMMUNITY SCHOOLS
NASHUA-PLAINFIELD COMMUNITY SCHOOLS
NEVADA COMMUNITY SCHOOLS
NEW HAMPTON COMMUNITY SCHOOLS
NEW LONDON COMMUNITY SCHOOLS
NEWELL-FONDA COMMUNITY SCHOOLS
NEWTON COMMUNITY SCHOOLS
NODAWAY VALLEY COMMUNITY SCHOOLS
NORTH BUTLER COMMUNITY SCHOOLS
NORTH CEDAR COMMUNITY SCHOOLS
NORTH FAYETTE VALLEY COMMUNITY SCHOOLS
NORTH IOWA COMMUNITY SCHOOLS
NORTH KOSSUTH COMMUNITY SCHOOLS
NORTH LINN COMMUNITY SCHOOLS
NORTH MAHASKA COMMUNITY SCHOOLS
NORTH POLK COMMUNITY SCHOOLS
NORTH SCOTT COMMUNITY SCHOOLS
NORTH TAMA COUNTY COMMUNITY SCHOOLS
NORTH UNION COMMUNITY SCHOOLS
NORTHEAST COMMUNITY SCHOOLS
NORTHEAST IOWA COMMUNITY COLLEGE
NORTHWEST AEA
NORTHWEST IOWA COMMUNITY COLLEGE



Membership Profile (continued)

NORTHWOOD-KENSETT COMMUNITY SCHOOLS
NORWALK COMMUNITY SCHOOLS
OABCIG COMMUNITY SCHOOLS
OELWEIN COMMUNITY SCHOOLS
OGDEN COMMUNITY SCHOOLS
OKOBOJI COMMUNITY SCHOOLS
OLIN CONSOLIDATED COMMUNITY SCHOOLS
ORIENT-MACKSBURG COMMUNITY SCHOOLS
OSAGE COMMUNITY SCHOOLS
OSKALOOSA COMMUNITY SCHOOLS
OTTUMWA COMMUNITY SCHOOLS
PCM COMMUNITY SCHOOLS
PEKIN COMMUNITY SCHOOLS
PELLA COMMUNITY SCHOOLS
PERRY COMMUNITY SCHOOLS
PLEASANT VALLEY COMMUNITY SCHOOLS
PLEASANTVILLE COMMUNITY SCHOOLS
POCAHONTAS AREA COMMUNITY SCHOOLS
POSTVILLE COMMUNITY SCHOOLS
PRAIRIE LAKES AEA
PRAIRIE VALLEY COMMUNITY SCHOOLS
RED OAK COMMUNITY SCHOOLS
RIVER VALLEY COMMUNITY SCHOOLS
ROCK VALLEY COMMUNITY SCHOOLS
ROLAND-STORY COMMUNITY SCHOOLS
RUDD-ROCKFORD-MARBLE ROCK COMMUNITY SCHOOLS
SAYDEL COMMUNITY SCHOOLS
SCHLESWIG COMMUNITY SCHOOLS
SERGEANT BLUFF-LUTON COMMUNITY SCHOOLS
SHELDON COMMUNITY SCHOOLS
SHENANDOAH COMMUNITY SCHOOLS
SIBLEY-OCHEYEDAN COMMUNITY SCHOOLS
SIDNEY COMMUNITY SCHOOLS
SIGOURNEY COMMUNITY SCHOOLS
SIOUX CENTER COMMUNITY SCHOOLS
SIOUX CENTRAL COMMUNITY SCHOOLS
SIOUX CITY COMMUNITY SCHOOLS
SOLOX COMMUNITY SCHOOLS
SOUTH CENTRAL CALHOUN COMMUNITY SCHOOLS
SOUTH HAMILTON COMMUNITY SCHOOLS
SOUTH O'BRIEN COMMUNITY SCHOOLS
SOUTH PAGE COMMUNITY SCHOOLS
SOUTH TAMA COUNTY COMMUNITY SCHOOLS
SOUTH WINNESHIEK COMMUNITY SCHOOLS
SOUTHEAST POLK COMMUNITY SCHOOLS
SOUTHEAST WARREN COMMUNITY SCHOOLS
SOUTHEAST VALLEY COMMUNITY SCHOOLS
SOUTHEASTERN COMMUNITY COLLEGE
SPENCER COMMUNITY SCHOOLS
SPIRIT LAKE COMMUNITY SCHOOLS
SPRINGVILLE COMMUNITY SCHOOLS
ST ANSGAR COMMUNITY SCHOOLS
STANTON COMMUNITY SCHOOLS
STARMONT COMMUNITY SCHOOLS
STORM LAKE COMMUNITY SCHOOLS

STRATFORD COMMUNITY SCHOOLS
SUMNER-FREDERICKSBURG COMMUNITY SCHOOLS
TIPTON COMMUNITY SCHOOLS
TREYNOR COMMUNITY SCHOOLS
TRI-CENTER COMMUNITY SCHOOLS
TRI-COUNTY COMMUNITY SCHOOLS
TRIPOLI COMMUNITY SCHOOLS
TURKEY VALLEY COMMUNITY SCHOOLS
TWIN CEDARS COMMUNITY SCHOOLS
UNDERWOOD COMMUNITY SCHOOLS
UNION COMMUNITY SCHOOLS
UNITED COMMUNITY SCHOOLS
URBANDALE COMMUNITY SCHOOLS
VAN BUREN COUNTY COMMUNITY SCHOOLS
VAN METER COMMUNITY SCHOOLS
VILLISCA COMMUNITY SCHOOLS
VINTON-SHELLSBURG COMMUNITY SCHOOLS
WACO COMMUNITY SCHOOLS
WAPELLO COMMUNITY SCHOOLS
WAPSIE VALLEY COMMUNITY SCHOOLS
WASHINGTON COMMUNITY SCHOOLS
WATERLOO COMMUNITY SCHOOLS
WAUKEE COMMUNITY SCHOOLS
WAYNE COMMUNITY SCHOOLS
WEBSTER CITY COMMUNITY SCHOOLS
WEST BEND-MALLARD COMMUNITY SCHOOLS
WEST BRANCH COMMUNITY SCHOOLS
WEST BURLINGTON INDEPENDENT SCHOOLS
WEST CENTRAL COMMUNITY SCHOOLS
WEST CENTRAL VALLEY COMMUNITY SCHOOLS
WEST DELAWARE CO COMMUNITY SCHOOLS
WEST DES MOINES COMMUNITY SCHOOLS
WEST FORK COMMUNITY SCHOOLS
WEST HANCOCK COMMUNITY SCHOOLS
WEST HARRISON COMMUNITY SCHOOLS
WEST LIBERTY COMMUNITY SCHOOLS
WEST LYON COMMUNITY SCHOOLS
WEST MARSHALL COMMUNITY SCHOOLS
WEST MONONA COMMUNITY SCHOOLS
WEST SIOUX COMMUNITY SCHOOLS
WESTERN DUBUQUE COMMUNITY SCHOOLS
WESTERN IOWA TECH COMMUNITY COLLEGE
WESTWOOD COMMUNITY SCHOOLS
WHITING COMMUNITY SCHOOLS
WILLIAMSBURG COMMUNITY SCHOOLS
WILTON COMMUNITY SCHOOLS
WINFIELD-MT. UNION COMMUNITY SCHOOLS
WINTERSET COMMUNITY SCHOOLS
WOODBURY CENTRAL COMMUNITY SCHOOLS
WOODWARD-GRANGER COMMUNITY SCHOOLS



Program Services & Features

- ° ISJIT is an affiliated program of 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, 2023 (FY 2023) and June 30, 2022 (FY 2022). 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 BergankDv, 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 Net Position, 2) Statement of Operations, 3) Statement of Changes in Net Position, and 4) Notes to Financial Statements. The Statement of Net Position displays the financial position (assets and liabilities) of the funds as of June 30, 2023 and 2022. The Statement of Operations displays the results of operations (income and expenses) and the Statement of Changes in Net Position 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, 2023 and is provided as supplementary information. 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 position (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, 2023 and 2022:

	2023	2022	% Change
Assets	\$ 1,356,347,987	\$ 1,045,461,631	29.74%
Liabilities	\$ 1,172,484	\$ 550,665	112.92%
Net Position	\$ 1,355,175,503	\$ 1,044,910,966	29.69%
Average Net Position	\$ 1,082,526,485	\$ 781,270,579	38.56%
Investment Income	\$ 42,549,000	\$ 2,105,150	1921.19%
Total Expenses	\$ 3,295,408	\$ 1,045,564	215.18%
Net Investment Income	\$ 39,253,592	\$ 1,059,586	3604.62%
Units Sold	3,713,448,838	2,842,601,636	30.64%
Units Redeemed	3,442,437,893	2,472,564,432	39.23%
Total Return	3.53%	0.11%	
Ratio of Expenses to Average Net Position	0.30%	0.13%	
Ratio of Net Investment Income to Average Net Position	3.63%	0.14%	
Net Asset Value per Unit, Beginning of Period	1.000	1.000	
Net Investment Income per Unit	0.036	0.001	
Dividends Distributed per Unit	(0.036)	(0.001)	
Net Asset Value per Unit, End of Period	<u>1.000</u>	<u>1.000</u>	

During FY 2023, the average net position for the Diversified Portfolio increased 38.56% to \$1,082,526,485 from average net position of \$781,270,579 during FY 2022 as a result of net deposits by Participants in the Portfolio.

Net investment income increased 3,604.62% in the Diversified Portfolio during FY 2023 compared to FY 2022 due to continued increases in the short-term interest rate environment.

Expenses of the Portfolio are calculated on the daily net position totals. Total expenses increased in the Diversified Portfolio during FY 2023 by 215.18% due to the increase in net position and full fees being paid for services.



Auditor's Opinion Letter

bergankDV

Independent Auditor's Report

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

Opinion

We have audited the financial statements of the Iowa Schools Joint Investment Trust's (ISJIT) Diversified Portfolio, which comprise the statements of net position as of June 30, 2023 and 2022, and the related statements of operations and statements of changes in net position for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ISJIT Diversified Portfolio as of June 30, 2023 and 2022, and the changes in net position for the years ended June 30, 2023 and 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ISJIT and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

ISJIT's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ISJIT's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor's Opinion Letter

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 ISJIT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ISJIT's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10-11 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.



Auditor's Opinion Letter

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The Portfolio of Investments on pages 15-16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the information included on pages 3-9 but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2023, 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 solely 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 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.

Urbandale, Iowa
September 14, 2023



Supplementary Information – Portfolio of Investments

June 30, 2023

Principal Amount	Description	Amortized Value (Note 2)	Market Value
U.S. Government Agency & Treasury Obligations -- 42.1% (a)			
15,000,000	FFCB, 5.09%, 7/3/2023 (b)	\$ 14,999,629	\$ 14,999,584
2,965,000	FFCB, 2.20%, 11/1/2023 (c)	2,933,614	2,932,139
7,650,000	FFCB, 0.25%, 2/26/2024 (c)	7,405,364	7,397,919
4,450,000	FHLB, 4.50%, 7/20/2023 (c)	4,448,489	4,448,140
15,825,000	FHLB, 5.09%, 7/3/2023 (b)	15,825,000	15,826,584
15,825,000	FHLB, 5.09%, 7/3/2023 (b)	15,825,000	15,827,769
15,000,000	FHLB, 5.08%, 7/3/2023 (b)	15,000,000	15,000,749
13,700,000	FHLB, 5.10%, 7/3/2023 (b)	13,700,000	13,702,258
17,400,000	FHLB, 5.11%, 7/3/2023 (b)	17,400,000	17,399,638
15,000,000	FHLB, 5.12%, 7/3/2023 (b)	15,000,000	14,992,654
11,600,000	FHLB, 5.14%, 7/3/2023 (b)	11,600,000	11,604,456
20,000,000	FHLB, 5.18%, 7/3/2023 (b)	20,000,000	20,003,710
17,650,000	FHLB, 5.18%, 7/17/2023	17,609,993	17,616,869
14,600,000	FHLB, 5.22%, 7/18/2023	14,564,597	14,570,639
19,350,000	FHLB, 5.19%, 7/19/2023	19,300,658	19,308,494
22,050,000	FHLB, 5.27%, 7/21/2023	21,986,545	21,996,798
28,300,000	FHLB, 5.25%, 7/26/2023	28,198,662	28,212,779
13,850,000	FHLB, 5.06%, 8/4/2023	13,784,990	13,790,064
14,250,000	FHLB, 5.1%, 8/9/2023	14,172,812	14,178,722
15,000,000	FHLB, 5.11%, 8/16/2023	14,903,975	14,910,818
16,500,000	FHLB, 5.19%, 8/18/2023	16,388,064	16,397,454
18,150,000	FHLB, 5.26%, 8/23/2023	18,012,388	18,024,981
3,200,000	FHLB, 3.38%, 9/1/2023 (c)	3,198,552	3,189,035
15,000,000	FHLB, 5.17%, 9/13/2023	14,844,292	14,852,645
17,500,000	FHLB, 5.21%, 9/15/2023	17,312,322	17,323,334
8,500,000	FHLB, 4.25%, 9/26/2023 (c)	8,498,987	8,470,451
14,825,000	FHLB, 5.3%, 10/4/2023	14,623,133	14,635,897
13,100,000	FHLB, 5.12%, 10/16/2023	12,906,293	12,911,495
3,824,000	FHLB, 5.05%, 10/25/2023	3,763,623	3,764,294
19,000,000	FHLB, 5.09%, 10/27/2023	18,692,381	18,692,381
4,715,000	FHLB, 5.17%, 11/15/2023	4,625,284	4,626,875
8,000,000	FHLB, 5.25%, 1/17/2024	7,776,444	7,777,998
3,500,000	FHLB, 5.3%, 2/20/2024	3,384,885	3,388,649
9,000,000	FHLB, 5.27%, 3/1/2024	8,693,475	8,706,338
44,430,000	FHLMC, 5.08%, 7/5/2023	44,405,294	44,395,345
2,500,000	FHLMC, 5.23%, 7/6/2023	2,498,212	2,498,994
2,250,000	FHLMC, 5.1%, 7/10/2023	2,247,179	2,246,513
6,250,000	FHLMC, 5.2%, 7/17/2023	6,235,778	6,238,268
3,566,000	FHLMC, 0.25%, 8/24/2023 (c)	3,539,618	3,538,399
3,610,000	FHLMC, 0.13%, 10/16/2023 (c)	3,555,296	3,554,443
1,470,000	FNMA, 0.25%, 7/10/2023 (c)	1,468,245	1,468,003
25,000,000	U.S. Treasury, 5.15%, 7/5/2023	24,985,904	24,993,175
16,525,000	U.S. Treasury, 5.23%, 7/20/2023	16,480,150	16,485,905
13,675,000	U.S. Treasury, 5.31%, 11/16/2023	13,406,107	13,406,982
Total U.S. Government Agency & Treasury Obligations		570,201,234	570,308,637



Supplementary Information – Portfolio of Investments

June 30, 2023

Principal Amount	Description	Amortized Value (Note 2)	Market Value
Repurchase Agreements -- 57.8% (a)			
50,000,000	Bank of Montreal, 5.01%, 7/3/2023	50,000,000	50,000,000
95,000,000	BNP Paribas, 5.04%, 7/3/2023	95,000,000	95,000,000
199,901,000	Citigroup Global Market, 5.01%, 7/3/2023	199,901,000	199,901,000
64,000,000	Citigroup Global Market, 5.05%, 7/3/2023	64,000,000	64,000,000
75,000,000	Credit Agricole CIB, 5.04%, 7/3/2023	75,000,000	75,000,000
300,000,000	Merrill Lynch & Co, 5.06%, 7/3/2023	300,000,000	300,000,000
	Total Repurchase Agreements	783,901,000	783,901,000
	Total Investments - 99.9% (at amortized cost)	\$ 1,354,102,234	-
	Other assets in excess of liabilities - 0.1%	1,073,269	-
	Net Position (Participants beneficial interest outstanding) - 100.0%	\$ 1,355,175,503	

(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

(c) Represents stated interest rate at June 30, 2023

Note: The categories of investments are shown as a percentage of total net position at June 30, 2023



Statements of Net Position

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
	<u>Diversified Portfolio</u>	<u>Diversified Portfolio</u>
Assets		
Investment in securities, at value (Note 1)		
Commercial paper	\$ -	\$ 88,232,135
U.S. government agency obligations	570,201,234	394,891,412
Repurchase agreements	783,901,000	557,902,000
Total investments, at value	<u>1,354,102,234</u>	<u>1,041,025,547</u>
Cash	1,075,445	4,339,555
Interest receivable	1,170,308	94,951
Other assets	-	1,578
	<u>1,356,347,987</u>	<u>1,045,461,631</u>
Liabilities		
Cash received from Participants pending investment in fund shares	852,361	318,197
Administration fee payable	68,137	53,140
Investment advisory fee payable	62,896	49,052
Marketing fee payable	73,378	57,228
Royalty fee payable	83,861	65,403
Custodian and cash management fees payable	5,548	3,583
Administrative expense payable	26,303	4,062
	<u>1,172,484</u>	<u>550,665</u>
Net position (board designated)	100,000	100,000
Net position (equivalent to \$1.00 per share on shares of Participants beneficial interest outstanding)	<u>\$ 1,355,075,503</u>	<u>\$ 1,044,810,966</u>
Shares outstanding		
Diversified Portfolio	<u>1,355,175,503</u>	<u>1,044,910,966</u>



Statements of Operations

Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
	<u>Diversified Portfolio</u>	<u>Diversified Portfolio</u>
Investment income	\$ 42,549,000	\$ 2,105,150
Expenses (Note 2)		
Administration fees	703,609	507,825
Investment advisory fees	649,485	468,762
Marketing fees	757,733	546,889
Royalty fees	865,981	625,016
Custodian and cash management fees	47,846	33,004
Professional fees	33,397	29,608
Other expenses	237,357	9,429
Total expenses before fee waivers	<u>3,295,408</u>	<u>2,220,533</u>
Fee Waivers (Note 2)		
Administration fees waived	-	(273,203)
Investment advisory fees waived	-	(252,187)
Marketing fees waived	-	(294,218)
Royalty fees waived	-	(336,207)
Cash management fee credits	-	(19,154)
Total fees waived	<u>-</u>	<u>(1,174,969)</u>
Net expenses	<u>3,295,408</u>	<u>1,045,564</u>
Net investment income	<u>\$ 39,253,592</u>	<u>\$ 1,059,586</u>



Statements of Changes in Net Position

Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
	<u>Diversified Portfolio</u>	<u>Diversified Portfolio</u>
Increase in net position		
Net investment income	\$ 39,253,592	\$ 1,059,586
Dividends to Participants from		
Net investment income	(39,253,592)	(1,059,586)
Share transactions		
Net proceeds from sale of shares	3,713,448,838	2,842,601,636
Net asset value of shares issued to Participants in reinvestment of dividends	39,253,592	1,059,586
Cost of shares redeemed	(3,442,437,893)	(2,472,564,432)
Net increase in net position resulting from share transactions	310,264,537	371,096,790
Total increase in net position	310,264,537	371,096,790
Net position		
Beginning of year	1,044,910,966	673,814,176
End of year	<u>\$ 1,355,175,503</u>	<u>\$ 1,044,910,966</u>
Other information		
Share transactions		
Shares sold	3,713,448,838	2,842,601,636
Shares issued to Participants in reinvestment of dividends	39,253,592	1,059,586
Shares redeemed	(3,442,437,893)	(2,472,564,432)
Net increase in shares outstanding	310,264,537	371,096,790
Shares outstanding		
Beginning of year	1,044,910,966	673,814,176
End of year	<u>1,355,175,503</u>	<u>1,044,910,966</u>



Notes to Financial Statements

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 fund 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 position, 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 position 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, 2023.

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.



Notes to Financial Statements

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. 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.

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 Investments

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 has no Certificates of Deposits as of June 30, 2023 and 2022.

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.



Notes to Financial Statements

1. Summary of Significant Accounting Policies (continued)

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.

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.

Valuation of Investments

In accordance with the authoritative guidance on fair value measurements and disclosures under GASB Statement No. 72, as amended, the Fund discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (Level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Inputs other than quoted prices that are observable for the asset, including quoted prices for similar investments based on interest rates, credit risk and like factors.

Level 3 – Unobservable inputs for the assets, including the Portfolios' own assumptions for determining fair value.

Fund investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. In accordance with GASB Statement No. 79, ISJIT Portfolio securities are valued at amortized cost, which approximates fair value. GASB Statement No. 79 requires a comparison of the ISJIT Portfolio's investments on an amortized cost basis to fair values determined on a market value basis. Since the value is not obtained from a quoted price in an active market, all securities held by the Portfolios at June 30, 2023 are categorized as Level 2.



Legally binding guarantees

The Board of Trustees has not provided or obtained any legally binding guarantees during the fiscal years ended June 30, 2023 and 2022.

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, Royalty, and Custodian. ISJIT also pays the operating expenses incurred directly by ISJIT and its Trustees in connection with the discharge of their duties. US Bank, N.A. (US Bank) serves as Custodian, PMA Financial Network LLC (PMA) serves as Administrator, RBC Global Asset Management (US) Inc. (RBC GAM) serves as the Investment Advisor, PMA Securities, LLC (PMA) serves as the Marketing Services Provider, and IASB serves as an affiliated organization. Under separate agreements, RBC GAM, PMA and IASB are paid fees based upon a percentage of ISJIT's average daily net position. All fees are computed on a daily basis and paid monthly to the service providers.

The following table displays the fees waived by the service providers for the years ended June 30, 2023 and 2022.

Diversified Portfolio Waived Fees:

Fiscal Year Ended June 30,	Administrator	Investment Advisor	Marketing	Custodian	Royalty	Total
2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	\$ 273,203	\$ 252,187	\$ 294,218	\$ 19,154	\$ 336,207	\$ 1,174,969

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 position 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 position of the Diversified Portfolio. This contractual fee is gross of any fees that PMA may voluntarily agree to waive. The Diversified Portfolio incurred actual expenses for services provided by PMA of \$703,609 and \$234,622 for the years ended June 30, 2023 and 2022, respectively. The amounts due PMA were \$68,137 and \$53,140 for the Diversified Portfolio as of June 30, 2023 and 2022, respectively.



Notes to Financial Statements

2. Fees and Expenses (continued)

Investment Advisor

Under its investment advisory agreement with ISJIT, RBC GAM receives a fee equal to 0.060% of the average daily net position for the Diversified Portfolio for investment advisor services. This contractual fee is gross of any fees that RBC GAM may voluntarily agree to waive. The Diversified Portfolio incurred actual expenses for services provided by RBC GAM of \$649,485 and \$216,575 for the years ended June 30, 2023 and June 30, 2022, respectively. The amounts due RBC GAM were \$62,896 and \$49,052 for the Diversified Portfolio as of June 30, 2023 and 2022, respectively.

Custodian

Under its agreement for custodial services, US Bank receives a fee equal to 0.00333% of the average daily net asset value for the Diversified Portfolio for custodial services plus the cost of account maintenance and transactions. This contractual fee is gross of any fees that US Bank may voluntarily agree to waive. The Diversified Portfolio incurred actual expenses for services provided by US Bank of \$47,846 and \$33,004 for the years ended June 30, 2023 and June 30, 2022, respectively. The amounts due US Bank were \$5,548 and \$3,583 for the Diversified Portfolio as of June 30, 2023 and 2022, respectively.

Marketing

Under its marketing services agreement with ISJIT, PMA receives a fee equal to 0.070% of the average daily net position of the Diversified Portfolio. This contractual fee is gross of any fees that PMA may voluntarily agree to waive. The Diversified Portfolio incurred actual expenses for services provided by PMA of \$757,733 and \$252,671 for the years ended June 30, 2023 and June 30, 2022, respectively. The amounts due PMA were \$73,378 and \$57,228 for the Diversified Portfolio as of June 30, 2023 and 2022, respectively.

Royalty

Under its royalty agreement with ISJIT, IASB receives an annual fee equal to 0.080% of the average daily net position of the Diversified Portfolio. This contractual fee is gross of any fees that IASB may voluntarily agree to waive. The Diversified Portfolio incurred actual expenses for services provided by IASB of \$865,981 and \$288,809 for the years ended June 30, 2023 and June 30, 2022, respectively. The amounts due IASB were \$83,861 and \$65,403 for the Diversified Portfolio as of June 30, 2023 and 2022, respectively.

Administrative Fund

The Administrative Fund pays certain operating expenses incurred directly by the ISJIT Diversified Portfolio and its Trustees in connection with the discharge of their duties. These expenses include audit fees, legal fees, liability insurance expense, rating fees, cash management fees, out-of-pocket expenses of the Trustees, and the cost of printing, mailing and other services performed independently by ISJIT. In accordance with direction from the Board, these expenses were accrued at 0.025% of the average daily net position of the Diversified Portfolio throughout the fiscal year ended June 30, 2023 and at 0.005% throughout the fiscal year ended June 30, 2022.



Notes to Financial Statements

The following table shows the activity in the Administrative Fund for the fiscal years ended June 30, 2023 and June 30, 2022:

ISJIT Administrative Fund		
	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 111,610	\$ 134,420
Additions		
Transferred from Diversified Portfolio	248,513	34,976
Interest income	<u>7,195</u>	<u>131</u>
Total additions	255,708	35,107
Disbursements		
Audit fees	(17,725)	(17,000)
Legal fees	(15,672)	(12,608)
Liability insurance expense	(10,940)	-
Ratings fees	(19,729)	(15,047)
Cash management fees	(17,744)	(13,087)
Office of Auditor filing fee	<u>(175)</u>	<u>(175)</u>
Total disbursements	(81,985)	(57,917)
Ending balance	\$ 285,333	\$ 111,610

3. Net Position (board designated)

The ISJIT board has designated \$100,000 for the insurance deductible the Board anticipates it would pay in the event of a claim against the Fund.

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.



Notes to Financial Statements

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.

At June 30, 2023, the securities purchased under overnight agreements to resell were collateralized by government and government agency securities with market values of \$51,000,000, \$96,900,006, \$203,899,035, \$65,280,042, \$76,500,040, and \$306,000,078 for the Diversified Portfolio. At June 30, 2022, the securities purchased under overnight agreements to resell were collateralized by government and government agency securities with market values of \$120,260,062, \$102,000,000, \$244,800,060 and \$102,000,000 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 (FTA Program), ISJIT offers Participants the opportunity to purchase deposits from Iowa financial institutions, other fixed term securities and instruments that are permitted for Participants under the Iowa Investment Statute. ISJIT has contracted with PMA to administer the FTA Program. The issuers of the instruments offered through the FTA Program are all eligible issuer that meet the credit criteria established by PMA and which are approved by ISJIT's Board of Trustees. The assets in the FTA Program 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 FTA Program are secured in accordance with provisions of Chapter 12C of the Iowa Code, "Deposit of Public Fund" and the implementing rules and regulations, as amended from time to time.

As of June 30, 2023, the total outstanding balance in the FTA Program was \$473,070,349. Total fees for administration of the FTA Program were \$748,533 with \$669,914 paid to PMA and \$72,343 paid to IASB. As of June 30, 2022, the total outstanding balance in the FTA Program was \$391,199,027. Total fees for administration of the FTA program were \$237,168 with \$213,451 paid to PMA and \$23,717 paid to IASB.

6. Subsequent Events

Management of ISJIT has evaluated subsequent events through September 14, 2023, the date the financial statements were available to be issued and have concluded that no additional disclosures were necessary.