IOWA JOBS FOR AMERICA'S GRADUATES, INC.

AUDITED FINANCIAL REPORT

YEARS ENDED

JUNE 30, 2026 AND 2025

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Welgaard
CPAs & Advisors

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Iowa Jobs for America's Graduates, Inc.

Opinion

We have audited the accompanying financial statements of Iowa Jobs for America's Graduates, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Iowa Jobs for America's Graduates, Inc. as of June 30, 2026 and 2025, and the change in its net assets and its cash flows for the years then ended 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. 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 Iowa Jobs for America's Graduates, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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

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, 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 Iowa Jobs for America's Graduates, Inc's. ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Iowa Jobs for America's Graduates, Inc'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 Iowa Jobs for America's Graduates, Inc's. 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.

Welgaard CPAs & Advisors, P.C.

WELGAARD CPAs & ADVISORS, P.C.
Urbandale, Iowa
October 9, 2026

IOWA JOBS FOR AMERICA'S GRADUATES, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2026 and 2025

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,611,577	$ 2,398,909
Accounts receivable	829,602	831,382
Promises to give, net	772,412	378,950
Prepaid expenses	74,955	87,130
Deposits	125,000	-
Investments	5,209,127	6,023,187
Total current assets	8,622,673	9,719,558
Long-term assets		
Property and equipment, net	74,211	116,939
Right to use asset - finance lease, net	11,040	13,919
Long-term promises to give, net	79,001	273,110
Beneficial interest in assets held by community foundations	68,704	54,703
	232,956	458,671
Total assets	$ 8,855,629	$ 10,178,229
LIABILITIES		
Current liabilities		
Accounts payable and other liabilities	$ 70,475	$ 90,488
Accrued expenses - payroll and benefits	941,769	819,411
Accrued expenses - other	49,386	52,066
Deferred school fees contract liability	-	25,000
Lease liability - finance lease	2,868	2,728
Total current liabilities	1,064,498	989,693
Long-term liabilities		
Lease liability - finance lease	9,122	11,991
	9,122	11,991
Total liabilities	$ 1,073,620	$ 1,001,684
NET ASSETS		
Net assets without donor restrictions	$ 6,680,723	$ 7,764,738
Net assets without donor restrictions - quasi endowment	41,555	34,247
Net assets without donor restrictions	6,722,278	7,798,985
Net assets with donor restrictions	1,059,731	1,377,560
Total net assets	7,782,009	9,176,545
Total liabilities and net assets	$ 8,855,629	$ 10,178,229

See Accompanying Notes and Independent Auditor's Report

IOWA JOBS FOR AMERICA'S GRADUATES, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUES			
Iowa State appropriation	$ -	$ 9,946,450	$ 9,946,450
U.S. Department of Labor - WIOA funds	-	190,015	190,015
Private sector contributions	1,313,253	1,031,205	2,344,458
Contract local site revenues	3,824,167	-	3,824,167
Donated school space	1,718,064	-	1,718,064
Donated professional development	11,400	-	11,400
Donated career association	185,876	-	185,876
Donated professional fees	2,554	-	2,554
Donated travel	1,738	-	1,738
Fundraising Events	14,600	-	14,600
Distributions from and change in value of beneficial interests in assets held by others - CF	7,308	2,417	9,725
Investment income	198,057	-	198,057
Realized/unrealized gains/losses	486,491	-	486,491
Other income	945	-	945
Total revenue	7,764,453	11,170,087	18,934,540
Net assets released from donor restrictions:			
Satisfaction of purpose	11,487,916	(11,487,916)	-
Total public support and revenue	19,252,369	(317,829)	18,934,540
EXPENSES			
Program services	18,217,632	-	18,217,632
General and administrative	1,262,773	-	1,262,773
Fundraising	848,671	-	848,671
Total expenses	20,329,076	-	20,329,076
CHANGE IN NET ASSETS	(1,076,707)	(317,829)	(1,394,536)
NET ASSETS, BEGINNING OF YEAR	7,798,985	1,377,560	9,176,545
NET ASSETS, END OF YEAR	$ 6,722,278	$ 1,059,731	$ 7,782,009

See Accompanying Notes and Independent Auditor's Report

IOWA JOBS FOR AMERICA'S GRADUATES, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUES			
Iowa State appropriation	$ 138,506	$ 9,646,450	$ 9,784,956
U.S. Department of Labor - WIOA funds	-	115,024	115,024
Private sector contributions	985,484	672,250	1,657,734
Contract local site revenues	3,666,667	-	3,666,667
Donated school space	1,514,376	-	1,514,376
Donated professional development	26,557	-	26,557
Donated career association	132,600	-	132,600
Donated professional fees	6,360	-	6,360
Donated travel	1,717	-	1,717
Distributions from and change in value of beneficial interests in assets held by others - CF	3,333	1,528	4,861
Investment income	257,033	-	257,033
Realized/unrealized gains/losses	315,356	-	315,356
Gain on disposal of fixed assets	21,490	-	21,490
Other income	902	-	902
Total revenue	7,070,381	10,435,252	17,505,633
Net assets released from donor restrictions:			
Satisfaction of purpose	10,634,092	(10,634,092)	-
Total public support and revenue	17,704,473	(198,840)	17,505,633
EXPENSES			
Program services	15,674,326	-	15,674,326
General and administrative	1,279,322	-	1,279,322
Fundraising	577,606	-	577,606
Total expenses	17,531,254	-	17,531,254
CHANGE IN NET ASSETS	173,219	(198,840)	(25,621)
NET ASSETS, BEGINNING OF YEAR	7,625,766	1,576,400	9,202,165
NET ASSETS, END OF YEAR	$ 7,798,985	$ 1,377,560	$ 9,176,545

See Accompanying Notes and Independent Auditor's Report

IOWA JOBS FOR AMERICA'S GRADUATES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2026

	Program Services	General and Administrative	Fundraising	Total Functional Expenses
Wages	$ 11,715,317	$ 730,163	$ 456,155	$ 12,901,635
Payroll taxes	895,326	55,114	31,786	982,226
Employee benefits	2,069,633	146,021	94,483	2,310,137
Donated school space	1,718,064	-	-	1,718,064
Contract services	58,274	119,099	39,245	216,618
Insurance	94,058	26,585	5,533	126,176
Affiliation fee	27,500	22,000	5,500	55,000
Marketing and communications	71,713	36,467	59,670	167,850
Professional fees	-	30,374	-	30,374
Office expenses and supplies	29,756	14,178	2,033	45,967
Telephone and internet	7,830	4,402	1,024	13,256
Classroom setup	36,323	-	-	36,323
Staff training	501,293	17,393	4,348	523,034
Travel	62,576	24,183	3,170	89,929
Career association	876,772	-	-	876,772
Facilities	28,681	19,208	4,736	52,625
Interest expense	-	674	-	674
Depreciation and amortization	24,516	16,912	4,180	45,608
Uncollectible promises to give	-	-	136,808	136,808
	$ 18,217,632	$ 1,262,773	$ 848,671	$ 20,329,076

See Accompanying Notes and Independent Auditor's Report

IOWA JOBS FOR AMERICA'S GRADUATES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

	Program Services	General and Administrative	Fundraising	Total Functional Expenses
Wages	$ 10,099,088	$ 793,472	$ 320,333	$ 11,212,893
Payroll taxes	759,909	49,710	24,686	834,305
Employee benefits	1,798,610	84,978	30,786	1,914,374
Donated school space	1,514,376	-	-	1,514,376
Contract services	93,941	118,388	64,453	276,782
Insurance	74,465	24,352	4,380	103,197
Affiliation fee	27,500	22,000	5,500	55,000
Marketing and communications	95,105	30,008	54,916	180,029
Professional fees	-	35,979	-	35,979
Office expenses and supplies	77,077	26,934	5,087	109,098
Telephone and internet	8,267	4,207	858	13,332
Classroom setup	37,709	-	-	37,709
Staff training	393,704	14,732	3,683	412,119
Travel	67,261	34,727	1,360	103,348
Career association	551,532	-	-	551,532
Facilities	33,435	16,718	5,572	55,725
Interest expense	-	807	-	807
Depreciation and amortization	42,347	22,310	7,184	71,841
Uncollectible promises to give	-	-	48,808	48,808
	$ 15,674,326	$ 1,279,322	$ 577,606	$ 17,531,254

See Accompanying Notes and Independent Auditor's Report

IOWA JOBS FOR AMERICA'S GRADUATES, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2026 and 2025

CASH FLOWS FROM OPERATING ACTIVITIES	2026	2025
Change in net assets	$ (1,394,536)	$ (25,621)
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation & amortization	45,608	71,841
Change in promises to give present value discount	8,533	22,260
Change in beneficial interest in assets held by others	(9,725)	(4,861)
Reinvested investment earnings net of fees	(157,449)	(163,923)
Gains from other investments	(486,491)	(315,356)
Gain on disposal of property and equipment	-	(21,490)
(Increase) decrease in:		
Accounts receivable	1,780	(706,534)
Promises to give	(207,886)	464,347
Prepaid expenses	12,175	(11,030)
Deposits	(125,000)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	99,665	281,927
Deferred school fees contract liability	(25,000)	(25,000)
Net cash used by operating activities	(2,238,326)	(433,440)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	-	(53,337)
Proceeds from sale of property and equipment	-	79,000
Purchases of investments	(505,000)	(5,000)
Investment distributions	1,958,722	645
Net cash provided by investing activities	1,453,722	21,308
CASH FLOWS FROM FINANCING ACTIVITIES		
Reduction of finance lease liability	(2,728)	(2,596)
Net cash used by financing activities	(2,728)	(2,596)
Net decrease in cash	(787,332)	(414,728)
Beginning cash	2,398,909	2,813,637
Ending cash	$ 1,611,577	$ 2,398,909
Noncash investing and financing activities:		
Reinvested investment earnings	$ 157,449	$ 163,923
Vehicle trade-ins	$ -	$ 79,000
Other disclosure:		
Interest paid on lease	$ 674	$ 807

See Accompanying Notes and Independent Auditor's Report

Note 1. Nature of Activities and Significant Accounting Policies

Iowa Jobs for America's Graduates (iJAG) is a public-private partnership that energizes local economies and contributes to thriving communities. We are the bridge between public education and the world-of-work, offering programming that complements middle and high school academics by preparing students to look past graduation, toward a career that offers fulfilling work and financial self-sufficiency. As part of our ambitious growth plan, we have expanded our programs into college, after-school, and alternative education settings to ensure we are serving students where they are.

iJAG offers a classroom experience designed to empower students in overcoming personal barriers and developing essential life skills. Each individual program is housed within partnering schools across the state and is delivered by a dedicated full-time iJAG Career & Education Specialist during the regular school day, for academic credit. Middle and high school students dedicate themselves to mastering core competencies and networking with business and community leaders to build an understanding of expectations and opportunities in the workplace. iJAG students actively participate in communities through impactful service projects, collaborate with civic leaders while advocating for their programs, and engage with employers as they explore and prepare for their future careers. Students develop leadership skills and design a plan for continual growth and improvement.

As students learn these skills, data shows attendance and achievement increases, graduation rates climb, and they successfully transition to independence in careers, military service or post-secondary education. iJAG stays connected to students for 12 months after they graduate from high school.

iJAG achieves collective change by establishing community, building workforce and life skills, and delivering real-world experiences that lead to students belonging, growth, and readiness.

iJAG depends on financial investments from private businesses, agencies, and state government to sustain efforts and expand programs.

A summary of the Organization's significant accounting policies follows:

Use of estimates:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fundraising costs:

Fundraising costs for the years ended June 30, 2026 and 2025 were $848,671 and $577,606, respectively. Fundraising expenses consist of development salaries, contract services, marketing, communication expenses and an allocation of overhead expenses.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Income taxes:

The Organization is a not-for-profit organization that is exempt from federal and state income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code and the provisions of the Code of the State of Iowa. The Organization annually considers the tax positions reflected in its financial statements with code, rules and regulations, and evaluates the potential for unrelated business income tax or activities that may jeopardize its exempt status.

The Organization has evaluated its tax positions taken on the years open to examination (years ended June 30, 2024, 2025 and 2026) and has determined that there is no significant uncertainty regarding the tax positions taken. If the Organization had determined a liability was necessary, any tax and related penalties and interest would be charged to operations. There were no income taxes, interest or penalties paid for the years ended June 30, 2026 and 2025.

Classification of net assets:

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board for preparation of financial statements of not-for-profit organizations. Under generally accepted accounting principles, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. A description of the two net asset categories follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions. The Organization's governing board has earmarked funds as board designated included in net assets without donor restrictions – quasi-endowment.

Net assets with donor restrictions – Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time. Contributions whose restrictions are fully met in the same year the contribution is received are reported as unrestricted support. This classification also includes those contributions which are designated by donors for the endowment funds which will be maintained by the Organization, subject to spending allocations allowed by state law. Contributions to the Endow Iowa endowment fund are considered permanently restricted in accordance with the agreement with the Community Foundation of Greater Des Moines who administers the fund. Contributions to the iJAG Endowment Fund are considered permanently restricted in accordance with the agreement with the Community Foundation of Johnson County who administers the fund.

Cash and cash equivalents:

Cash and cash equivalents consist of bank checking and savings accounts.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Contributions:

The Organization distinguishes between contributions received with donor-imposed restrictions and contributions received without donor-imposed restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization has specialists who conduct the programs of the Organization in selected school districts throughout the state of Iowa. These school district locations provide office space for the specialists free of charge. $1,718,064 and $1,514,376 of donated school space has been recorded in the financial statements for the years ended June 30, 2026 and 2025, respectively, in program services.

In addition, the Organization received donated goods and services during the years ended June 30, 2026 and 2025 totaling $201,568 and $167,234, respectively, which were included in program and general and administrative expenses.

Accounts receivable:

Accounts receivable are recorded at the transaction amount in the period that goods and services are provided. Accounts receivable are considered past due if not collected within thirty days of billing. Based on evaluation of outstanding accounts receivable which are all from government entities and historical experience, management considers all accounts receivable to be fully collectible and therefore no allowance for credit losses is recorded.

Promises to give:

Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating a risk-free discount rate designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2026 and 2025, the allowance was $31,500 and $-0-, respectively.

Property and equipment:

Property and equipment are stated at cost. Assets acquired for operating use with an original cost of $10,000 or greater are being depreciated using the straight-line method over their estimated useful lives ranging from 3 to 7 years.

Revenue recognition:

The Organization receives grants, private sector contributions and contract local site fee revenues from schools for program services.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Revenue recognition (Continued):

Grants and private sector contributions, with or without the existence of donor restrictions, are recognized as revenue when the promise to give is made. Local site fee revenues from schools are considered exchange transactions and revenue is recognized as performance obligations are met by the Organization.

Local site fee pricing is determined by the Organization for each school year based on funding levels and budgeted program expenses. School districts enter into a contract with the Organization for each program at the pricing determined by the Organization based on number of programs at the school and a predetermined rate. The Organization's obligation is to provide agreed upon programming over the duration of the school year. School districts are billed in the spring for the following school year. Payment is expected before the school year begins. Accounts receivable are recorded when school districts are billed. Amounts received from school districts prior to June 30 for the following school year are recorded as contract liabilities. Revenue is recognized over the period of the school year as service is provided.

Functional expenses:

The allocations of expenses shown on the statement of functional expenses were made first by direct assignment of costs to functional categories where a direct relationship exists. Other common expenses have been allocated to separate functional categories based on management's estimate of time spent in each area. For the year ended June 30, 2026, program service expenses were 89.6%, general and administrative expenses were 6.2% and fundraising expenses were 4.2% of total expenses. For the year ended June 30, 2025, program service expenses were 89.4%, general and administrative expenses were 7.3% and fundraising expenses were 3.3% of total expenses.

Leases:

The Organization leases a copier. The determination of whether an arrangement is a lease is made at the lease's inception. Under generally accepted accounting principles, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

The finance lease is included in lease right-of-use ('ROU") asset, other current liabilities, and finance lease liabilities in the balance sheet. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Finance lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when it is readily determinable.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Leases (Continued):

Since the lease did not provide an implicit rate, to determine the present value of lease payments, management used a risk-free borrowing rate of 4.167%. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised.

Note 2. Investments and Endowment Funds

The investments of Iowa Jobs for America's Graduates, Inc. are held and managed by the following custodians:

	2026	
	Cost	Fair Value
Comm. Foundation of Greater Des Moines Endow IA Fund	$ 7,555	$ 17,149
Comm. Foundation of Johnson County Endowment Fund	25,024	51,555
Commonwealth Financial Network Program Expansion Fund	916,233	1,026,343
Commonwealth Financial Network Fund Balance Reserves	3,379,383	4,182,784
	$ 4,328,195	$ 5,277,831

For the year ended June 30, 2026, distributions from and change in value of beneficial interest in assets held by Community Foundations consisted of investment income of $1,385, realized and unrealized gains of $9,237, and fees of $896.

	2025	
	Cost	Fair Value
Comm. Foundation of Greater Des Moines Endow IA Fund	$ 8,279	$ 15,456
Comm. Foundation of Johnson County Endowment Fund	20,024	39,247
Commonwealth Financial Network Program Expansion Fund	1,874,233	1,933,039
Commonwealth Financial Network Fund Balance Reserves	3,879,383	4,090,148
	$ 5,781,919	$ 6,077,890

For the year ended June 30, 2025, distributions from and change in value of beneficial interest in assets held by Community Foundations consisted of investment income of $1,270, realized and unrealized gains of $4,358, and fees of $767.

Note 2. Investments and Endowment Funds (Continued)

Board designated and permanently restricted endowment funds

As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization has determined that there are no donor restrictions on the investment accounts other than the Endow Iowa account which was determined to be permanently restricted. The Organization Board has designated certain investments to be for endowment.

All earnings on the board designated quasi-endowment fund are included in unrestricted net assets. All earnings on the permanently restricted Endow Iowa fund are included in net assets with donor restrictions until released in accordance with Organization's spending policy.

The Board of Iowa Job's for America's Graduates, Inc. has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result, iJAG classifies as permanently restricted net assets, (a) the original value of gifts donated to the permanent endowments (b) the original value of subsequent gifts to the permanent endowments, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time an accumulation is added to the fund, if any.

Spending Policy

In accordance with SPMIFA, iJAG considers the following factors in making a determination to appropriate or accumulate board designated or donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation or depreciation of investments, (6) other resources of the organization, and (7) the organization's investment policies. The current policy of iJAG is to appropriate five percent of the endowment fund balance annually based on the previous December 31 balance.

Investment Return Objectives, Risk Parameters and Strategies

The iJAG President/CEO has been charged with the responsibility of investment decisions for the Endowment Fund based on recommendations from the Executive/Finance Committee. The Executive/Finance Committee has developed a statement of investment policy and objectives approved by the iJAG Board.

Investments at Community Foundation of Greater Des Moines

There is one designated agency fund agreement with the Community Foundation of Greater Des Moines. The agreement established the iJAG Endow Iowa Fund that invests in the Foundation's Long-Term Growth Portfolio. The funds are subject to the policies and governing documents of the Foundation including control over the investment and asset management. The Foundation has represented to iJAG that although it has variance power, the Foundation Board has no intention of using the invested assets for any reason other than to manage those funds for the not-for-profit organization and the variance power would not be utilized, and that the Foundation

Note 2. Investments and Endowment Funds (Continued)

has accounted for these funds as agency funds. The funds are held and invested by the Foundation for the benefit of iJAG and are reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

iJAG has determined that the proper method of accounting for its funds held as an agency fund by the Community Foundation of Greater Des Moines is to include the assets and related income and expenses in its financial statements.

The agreement for the Iowa Jobs for America's Graduates, Inc.'s Endow Iowa Fund with the Community Foundation of Greater Des Moines stipulates that iJAG may receive net income from the Fund no more than four times per year and shall be limited to five percent of the previous December 31 balance. The Community Foundation of Greater Des Moines receives an administrative fee payable quarterly.

During the years ended June 30, 2026 and 2025, the Endow Iowa Fund at Community Foundation of Greater Des Moines had the following activity:

	Endow Iowa
Balance July 1, 2025	$ 15,456
Investment return	315
Realized gain on investments	962
Unrealized gain on investments	1,390
Administrative expenses	(250)
Distribution	(724)
Balance June 30, 2026	$ 17,149

	Endow Iowa
Balance July 1, 2024	$ 14,573
Investment return	308
Realized gain on investments	552
Unrealized gain on investments	918
Administrative expenses	(250)
Distribution	(645)
Balance June 30, 2025	$ 15,456

The above endowment fund is permanently restricted.

Through the agreement with the Community Foundation of Greater Des Moines, the endowed funds are subject to the investment return objectives, risk parameters and strategies developed by the Community Foundation of Greater Des Moines' Board of Directors.

Note 2. Investments and Endowment Funds (Continued)

Investments at Community Foundation of Johnson County, Iowa

There is one designated agency fund agreement with the Community Foundation of Johnson County. The fund is subject to the policies and governing documents of the Foundation including control over the investment and asset management. The fund will be held by the Foundation as a separate component fund of the Foundation and be used in carrying out its general charitable purposes. iJAG has determined that the proper method of accounting for its funds held as an agency fund by the Foundation is to include the assets and related income and expenses in its financial statements.

The funds are held and invested by the Foundation for the benefit of iJAG and are reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

During the years ended June 30, 2026 and 2025, the expansion funds at Community Foundation of Johnson County had the following activity:

	Expansion Fund
Balance July 1, 2025	$ 39,247
Investment return	1,070
Realized gain on investments	2,766
Unrealized gain on investments	4,118
Administrative expenses	(503)
Management fees	(143)
Donations	5,000
Balance June 30, 2026	$ 51,555

During the year ended June 30, 2025, the account was converted to a quasi endowment. Any donations from this date on are included in net assets with donor restrictions. At June 30, 2026 the balance of board designated balance is $41,555 and the balance of donor restricted is $10,000. At June 30, 2025 the balance of board designated balance is $34,247 and the balance of donor restricted is $5,000.

	Expansion Fund
Balance July 1, 2024	$ 30,915
Investment return	961
Realized loss on investments	1,054
Unrealized gain on investments	1,834
Administrative expenses	(392)
Management fees	(125)
Donations	5,000
Balance June 30, 2025	$ 39,247

Note 2. Investments and Endowment Funds (Continued)

Investments at Cedar Rapids Bank & Trust

There were two accounts managed by Cedar Rapids Bank & Trust that were closed during the year ended June 30, 2025. There were no withdrawal restrictions on the investment accounts. Cedar Rapids Bank & Trust received an administrative fee payable monthly. During the year ended June 30, 2025, the funds at Cedar Rapids Bank & Trust had the following activity:

	Cedar Rapids
Balance at June 30, 2024	$ 5,543,908
Investment return	66,351
Realized gain on investments	143,315
Administrative expenses	(8,997)
Contributions	(5,744,577)
Balance June 30, 2025	$ -

Investments at Commonwealth Financial Network

There are two accounts managed by Commonwealth Financial Network that were opened during the year ended June 30, 2025. There are no withdrawal restrictions on the investment accounts. Commonwealth Financial Network receives an administrative fee payable quarterly. During the years ended June 30, 2026 and 2025, the funds at Commonwealth Financial Network had the following activity:

	Commonwealth
Balance at June 30, 2025	$ 6,023,187
Investment return	182,685
Realized gain on investments	191,372
Unrealized gain on investments	295,118
Administrative expenses	(25,235)
Contributions	500,000
Distributions	(1,958,000)
Balance June 30, 2026	$ 5,209,127

	Commonwealth
Balance at June 30, 2024	$ -
Investment return	121,572
Realized gain on investments	14,283
Unrealized gain on investments	157,758
Administrative expenses	(15,003)
Transfer from Cedar Rapids Bank and Trust	5,744,577
Balance June 30, 2025	$ 6,023,187

Note 3. Fair Value Measurements

Investments are reported at their fair values in the statement of financial position. In accordance with generally accepted accounting principles, the Organization has categorized its financial instruments based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy as follows:

Level 1
Valuation is based upon quoted prices for identical instruments traded in active markets that the Organization has the ability to access as of the measurement date.

Level 2
Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable, or can be corroborated by, observable market data.

Level 3
Valuation is based upon significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value of the instrument.

Investments may be exposed to various risks, such as interest rate, market and credit risks. As a result, it is at least reasonably possible that changes in risks in the near term could affect investment balances, and those affects could be significant.

The fair value of our beneficial interest in assets held by the community foundations is based on the fair value of fund investments as reported by the community foundations. These are considered to be Level 3 measurements. Investment categorizations for June 30, 2026 and 2025 are as follows:

June 30, 2026

	Level 1	Level 2	Level 3
Beneficial interest in assets held by Comm. Foundation of Greater Des Moines Endow IA Fund	$ -	$ -	$ 17,149
Comm. Foundation of Johnson County Expansion Fund	-	-	51,555
Total	$ -	$ -	$ 68,704

Note 3. Fair Value Measurements (Continued)

June 30, 2025

	Level 1	Level 2	Level 3
Beneficial interest in assets held by Comm. Foundation of Greater Des Moines Endow IA Fund	$ -	$ -	$ 15,456
Comm. Foundation of Johnson County Expansion Fund	-	-	39,247
Total	$ -	$ -	$ 54,703

Investment Statements are issued monthly by Commonwealth Financial Network. Reported values may not reflect the price at which an asset may be sold. The investment allocation of the accounts held by Commonwealth Financial Network was as follows as of June 30, 2026 and 2025:

June 30, 2026

	Level 1	Level 2	Level 3
Cash Equivalents	$ 105,226	$ -	$ -
Fixed Income Securities	2,993,333	-	-
Equities	2,110,568	-	-
Total	$ 5,209,127	$ -	$ -

June 30, 2025

	Level 1	Level 2	Level 3
Cash Equivalents	$ 317,479	$ -	$ -
Fixed Income Securities	3,654,851	-	-
Equities	2,050,857	-	-
Total	$ 6,023,187	$ -	$ -

Note 4. Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2026:

Within one year	$ 772,412
In one to five years	116,370
	888,782
Less discount to present value at risk-free Treasury rate of 5%	(5,869)
Less allowance for uncollectible promises to give	(31,500)
	$ 851,413

Note 4. Promises to Give (Continued)

Unconditional promises to give are estimated to be collected as follows at June 30, 2025:

Within one year	$ 378,950
In one to five years	287,511
	666,461
Less discount to present value at risk-free Treasury rate of 5%	(14,401)
Less allowance for uncollectible promises to give	-0-
	$ 652,060

Note 5. Property and Equipment

Property and equipment consisted of the following at June 30, 2026:

Furniture	$ 41,584
Leasehold improvements	100,622
Vehicles	87,465
Website	22,725
	252,396
Accumulated depreciation	(178,185)
	$ 74,211

Property and equipment consisted of the following at June 30, 2025:

Furniture	$ 41,584
Leasehold improvements	100,622
Vehicles	87,465
Website	22,725
	252,396
Accumulated depreciation	(135,457)
	$ 116,939

Note 6. Liquidity and Availability of Financial Resources

The Organization's policy is to structure financial assets to be available as its general expenditures, liabilities and other obligations come due. All assets in excess of current needs are invested. The Organization also has the ability to modify programs to meet cash needs if funding sources change.

All financial assets held at June 30, 2026 are expected to be used for operating expenses based on management's budget prepared for the fiscal year ended June 30, 2027.

Note 6. Liquidity and Availability of Financial Resources (Continued)

Availability of financial assets:	
Financial assets, at year end	$ 8,570,423
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions	
Restricted by donor with time or purpose restriction	(1,059,731)
Quasi-endowment fund, intended for long-term investing (net of current appropriation)	(38,120)
Financial assets available to meet cash needs for general expenditures within one year	$ 7,472,572

The Organization has $7,472,572 of financial assets available within one year of the statement of financial position date of June 30, 2026 to meet cash needs for general and operating expenditures, consisting of cash of $1,428,009, receivables of $832,001, investments of $5,209,127 and allocation from quasi-endowment of $3,435.

All financial assets held at June 30, 2025 are expected to be used for operating expenses based on management's budget prepared for the fiscal year ended June 30, 2026.

Availability of financial assets:	
Financial assets, at year end	$ 9,960,241
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions	
Restricted by donor with time or purpose restriction	(1,377,560)
Quasi-endowment fund, intended for long-term investing (net of current appropriation)	(31,512)
Financial assets available to meet cash needs for general expenditures within one year	$ 8,551,169

The Organization has $8,551,169 of financial assets available within one year of the statement of financial position date of June 30, 2025 to meet cash needs for general and operating expenditures, consisting of cash of $1,693,865, receivables of $831,382, investments of $6,023,187 and allocation from quasi-endowment of $2,735.

Note 7. Concentrations

The Organization maintains its cash in bank deposit accounts which, at times, exceeded the Federal Deposit Insurance Corporation insurance limit. The FDIC insurance limit at June 30, 2026 was $250,000. At June 30, 2026 and 2025, the Organization's cash balances exceeded the FDIC insurance limit by $1,361,577 and $2,148,909, respectively.

Note 7. Concentrations (Continued)

A significant amount of revenue for the Organization consists of contracts awarded by the State of Iowa. During the fiscal years ending June 30, 2026 and 2025, the Organization received funding of $9,946,450 and $9,784,956, respectively from the State of Iowa. This accounted for 53% and 56% of the Organization's overall revenue and 100% and 97% of total accounts receivable, respectively.

The Organization did not receive donations from any donors during the fiscal years ended June 30, 2026 and 2025 that accounted for at least 10% of the Organization's overall revenue and support.

Note 8. Retirement Plan

The Organization has established a 401(k) profit sharing plan (Plan) which provides retirement benefits for their employees. The Plan allows employees to elect to defer a portion of their current income into the Plan. An employee must be at least 21 and have completed one-month service with the employer to qualify for participation in the profit-sharing portion of the plan.

The Plan provides for participant directed investments within funds chosen by the Trustee of the Plan. Total expense for matching contributions for the years ended June 30, 2026 and 2025 was $256,422 and $194,277, respectively.

Note 9. Net Assets With Donor Restrictions

The net assets with donor restrictions as of June 30, 2026 consisted of donor funds designated for specific school sites for future fiscal years, the amount in the Endow Iowa Fund at the Community Foundation of Greater Des Moines, and the current year donations in the iJAG Endowment Fund at the Community Foundation of Johnson County.

Restricted purpose:	
Special projects or research	$ 146,200
2026-2027 fiscal year	770,012
2027-2028 fiscal year	96,370
2028-2029 fiscal year	20,000
Endowments	27,149
Donor-restricted net assets at June 30, 2026	$ 1,059,731

Net assets released from restrictions consisted of the following at June 30, 2026:

Special projects or research	$ 103,818
2025-26 fiscal year	11,384,098
	$ 11,487,916

Note 9. Net Assets With Donor Restrictions (Continued)

The net assets with donor restrictions as of June 30, 2025 consisted of donor funds designated for specific school sites for future fiscal years, and the amount in the Endow Iowa Fund at the Community Foundation of Greater Des Moines.

Restricted purpose:	
Special projects or research	$ 64,018
2025-2026 fiscal year	1,005,575
2026-2027 fiscal year	277,282
2027-2028 fiscal year	10,229
Endowments	20,456
Donor-restricted net assets at June 30, 2025	$ 1,377,560

Net assets released from restrictions consisted of the following at June 30, 2025:

Special projects or research	$ 35,982
2024-2025 fiscal year	10,598,110
	$ 10,634,092

Note 10. Finance Lease

The Organization leases a copier in a finance lease with a remaining lease term at June 30, 2026 of five years.

	June 30, 2026	June 30, 2025
Finance lease – asset value	$ 20,159	$ 20,159
Accumulated amortization	(9,119)	(6,240)
Net asset value	$ 11,040	$ 13,919

Future maturities of the finance lease liability is as follows:

Year Ending June 30:	
2027	$ 3,402
2028	3,402
2029	3,402
2030	3,011
2031	0
Total lease payments	13,217
Less: interest	(1,227)
Present value of lease liability	$ 11,990

Finance lease costs included in general and administrative expenses were $2,880 and $2,880 of amortization and $674 and $807 of interest on lease liabilities for the years ended June 30, 2026 and 2025.

Note 11. Commitments

The Organization leases office space in the United Way of Central Iowa building. The space is leased under a one-year lease agreement that commenced January 1, 2026 and terminates December 31, 2026. The lease only requires payments for common area maintenance charges which are currently set at $4,127 per month. Future common area maintenance payments are estimated at $49,524 for the fiscal year ending on June 30, 2027.

The Organization self-funds a portion of its employee dental insurance plan. Each week the Organization contributes for the amount of actual claims paid.

Note 12. Subsequent Events

An evaluation was performed of the Organization's subsequent events occurring after the fiscal year-end through October 9, 2026. This date represents the date the financial statements were available to be issued.