Change in Net Assets for the Fiscal Year Ended June 30, 2026

The audited financial statements and Form 990 for the fiscal year ended June 30, 2026 reflect a negative change in net assets resulting from the intentional implementation of iJAG's strategic growth and sustainability plan. This decrease was anticipated and approved by the Board of Directors as part of a multi-year strategy to deploy previously accumulated reserves to expand and strengthen services across Iowa.

Positive net dollars from previous years 2022-23 and 2023-24 have accumulated over the years due to timing differences in when new programs were launched and when funds were received. It is important to note that the accumulation of our reserves money comes from these previous years' surpluses as well as COVID Relief dollars received and investment income.

During FY 2025–26, iJAG intentionally utilized these reserves to invest in program expansion, sustainability, and retention initiatives statewide. Investments included startup support for new programs through temporary MOU fee waivers, curriculum enhancements, technology improvements, and other infrastructure necessary to support high-quality program delivery. Over the course of this strategic growth initiative, iJAG will have committed more than $3 million toward expanding services and strengthening long-term sustainability, supporting the organization's goal of serving more than 200 programs across Iowa.

The decrease in net assets should be viewed as the planned use of previously accumulated resources rather than an indicator of financial distress. The organization maintained adequate liquidity throughout the fiscal year and continued to meet all operational obligations while executing this strategy. Readers are encouraged to review the Statement of Cash Flows, which demonstrates that the resources supporting these investments existed in liquid assets prior to their deployment. As new programs begin generating MOU fee revenue and private funding continues to grow, management and the Board expect iJAG's financial position to strengthen in future years.