

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN
Financial Statements and Schedule
June 30, 2001 and 2000
(With Independent Auditors' Report Thereon)

KPMG LLP
New Jersey Headquarters
150 John F. Kennedy Parkway
Short Hills, NJ 07078

Independent Auditors' Report

New Jersey State Employees Deferred
Compensation Plan Board
New Jersey State Employees Deferred
Compensation Plan:

We have audited the accompanying statements of plan net assets of the State of New Jersey Employees Deferred Compensation Plan as of June 30, 2001 and 2000, and the related statements of changes in plan net assets for the years then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the plan net assets of the New Jersey State Employees Deferred Compensation Plan as of June 30, 2001 and 2000, and the changes in its plan net assets for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedule A is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

KPMG LLP

September 7, 2001

STATE OF NEW JERSEY
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Statements of Changes in Plan Net Assets

Years ended June 30, 2001 and 2000

	2001	2000
Revenues and additions:		
Member contributions	\$ 111,782,107	99,313,698
Investment income:		
Net (depreciation) appreciation in fair value of investments	(129,886,198)	72,062,199
Interest	18,480,417	15,973,581
Dividends	8,346,807	7,191,972
	(103,058,974)	95,227,752
Less investment expense	147,596	142,020
Net investment (loss) income	(103,206,570)	95,085,732
Total revenues and additions	8,575,537	194,399,430
Expenditures and deductions:		
Benefits	43,063,635	40,280,182
Administrative expense	731,027	918,906
Total expenditures and deductions	43,794,662	41,199,088
Net (decrease) increase	(35,219,125)	153,200,342
Beginning of year	1,136,633,291	983,432,949
End of year	\$ 1,101,414,166	1,136,633,291

See accompanying notes to financial statements.

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Statements of Plan Net Assets
Years ended June 30, 2001 and 2000

	2001	2000
Assets:		
Cash	\$ 126,512	75,093
Investments at fair value:		
U.S. Treasury notes	118,477,288	101,065,912
Other notes	40,899,100	19,965,605
State of New Jersey Cash Management Fund	186,924,378	158,216,055
Common and preferred stocks	756,326,387	858,834,901
Total investments	1,102,627,153	1,138,082,473
Receivables:		
Accrued interest	2,565,612	2,243,445
Accrued dividends	506,434	521,028
Participant contributions	105,068	70,776
Total receivables	3,177,114	2,835,249
Total assets	1,105,930,779	1,140,992,815
Liabilities:		
Participant distributions payable	3,669,669	3,502,831
Administrative fees payable	846,944	856,693
Total liabilities	4,516,613	4,359,524
Net assets	\$ 1,101,414,166	1,136,633,291

See accompanying notes to financial statements.

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Notes to Financial Statements

June 30, 2001 and 2000

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements of the New Jersey State Employees Deferred Compensation Plan (the Plan) are prepared using the accrual basis of accounting and conform to the provisions of Government Accounting Standards Board (GASB) Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans."

Investment valuation

Investments, including short-term investments (State of New Jersey Cash Management Fund) are reported at fair value. U.S. Treasury notes and State of New Jersey Cash Management Fund Units are valued in accordance with fair market value procedures established by the State Investment Council, primarily through valuations obtained by the State Investment Council pricing service.

Common stocks are stated at quoted market values. Investments in common stock traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. Other securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are stated at the last quoted bid price.

Investment transactions and related investment income

Investment transactions are accounted for on a trade-date basis. Interest and dividend income is recorded on the accrual basis with dividends accruing on the ex-dividend date. Investment income on the State of New Jersey Cash Management Fund is recognized when earned and is distributed daily on the basis of units of ownership. Net appreciation (depreciation) in fair value of investments is the change in market value of the investments.

Administrative fees payable

Expenses associated with the Plan, which include but are not limited to administrative and investment costs, are charged against the Plan's net assets as determined by the action of the New Jersey State Employees Deferred Compensation Board (the Board). The fee is charged to participants' accounts on a monthly basis. Amounts charged against the net assets by the Plan to date have exceeded the payments made, the excess of which has been recorded as administrative fees payable.

Unit valuation

Participants' net asset value per unit is determined on a monthly basis for each of the Plan's four investment fund options. Net asset value per unit is computed on the total fair value at the end of the month of the fund's net assets divided by the total outstanding units of the fund.

The following description of the Plan provides only general information. Participants should refer to the plan information statement, which is available from the State of New Jersey, Division of Pensions and Benefits, for a more complete description of the Plan's provisions.

General

The Plan was established by Chapter 39, P.L. 1978, which became effective June 19, 1978, amended by Chapter 449, P.L. 1985, effective January 14, 1986, and by Chapter 116, P.L. 1997, effective June 6, 1997, and is available to any state employee who is a member of a state-administered retirement system or an employee of an eligible state agency, authority, commission or instrumentality of state government provided

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Notes to Financial Statements, Continued

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

the employee has at least 12 continuous months of employment, and any individual employed through a Governor's appointment. The Plan's membership was 32,047 and 29,960 at June 30, 2001 and 2000, respectively. The State of New Jersey, Division of Pensions and Benefits, is the plan administrator.

The assets of the Plan are being held in trust for the exclusive benefit of Plan members and their beneficiaries as required by Internal Revenue Code Section 457.

There are four investment options available to plan participants. The Bond Fund seeks to provide high income by investing in long-term bonds and other fixed-income securities. A second option, the Equity Fund, seeks to provide long-term capital appreciation with investments in the common stock of established, well-managed companies. A third investment option, the State of New Jersey Cash Management Fund, seeks to provide maximum current income by investing in high-quality money market instruments such as U.S. Treasury bills, obligations of U.S. Government agencies, commercial paper and certificates of deposit. All of the assets of the State of New Jersey Cash Management Fund are invested in securities maturing in one year or less. A fourth option, the Small Cap Equity Fund, seeks to provide long-term capital appreciation by investing in the common stock of companies with total market capitalization representing the smallest 5% of companies in the investable universe approved for investment by the State Investment Council.

Contributions

Participants may defer between 2% and 25% of their salary, as defined, and less any 414h or 403b reductions or \$8,500 annually (indexed to changes in the consumer price index), whichever is less. Under the limited "catch-up" provision, a participant may be eligible to defer up to a maximum of \$15,000 annually in the three years immediately preceding normal retirement age. Participants must defer at least 2% of their annual salary but no less than \$10 biweekly or \$20 monthly. Federal income taxes are not due on deferred amounts or on any accumulated earnings until the participant receives a distribution of assets. Participants may elect to invest their contributions in multiples of 1% in any of the four investment fund options, and may increase, decrease or suspend their deferrals once a month. Compensation amounts deferred and accumulated earnings thereon, while in trust for the exclusive benefit of the participants, remain the property of the State of New Jersey until distributed to participants. Participants are always fully vested for the accumulated units in their accounts. Participation in the Plan ceases at retirement, termination of service, disability or death.

Participants' accounts

The administrator maintains a bookkeeping account for each participant that is credited as of the date at which the participant's compensation is deferred.

The account is also credited with any increase or charged with any decrease related to the transactions of the Plan.

The State of New Jersey is only under a contractual obligation to make payments under this Plan in accordance with the provisions of the applicable statute as payments become due. The State of New Jersey is not a guarantor of the Plan.

Distribution of assets

A participant of the Plan or beneficiary may receive a distribution of assets under the Plan upon the participant's retirement, termination of service, disability, or death. Distribution of the participant's account will be made in a single lump-sum payment within two months after the administrator is notified of the event for all

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Notes to Financial Statements, Continued

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

accounts unless the participant elects to delay distribution from the Plan. In all cases, distribution must commence no later than 90 days following the close of the calendar year in which the participant retired, terminated service, became disabled, died or attained age 70½, whichever is later. If the value of the participant's account is at least \$5,000, the participant may choose distribution as a lump-sum payment or, in substantially equal installments over a period not to exceed fifteen years. Additionally, the participant may select a combination payment consisting of an initial lump-sum payment followed by installments over a period not to exceed fifteen years if the balance in the account following the initial lump-sum payment is at least \$5,000. Accounts are valued for distribution purposes as of the end of the month immediately preceding distribution.

Distribution is also permitted in the case of an unforeseen emergency, as defined by Internal Revenue Code 457 regulations. A participant may also elect to receive an in-service distribution if the participant has not made deferrals into the plan for 24 consecutive months and the total value of the participant's account does not exceed \$5,000.

Income Tax Status

Based on a 1986 declaration of the Attorney General of the State of New Jersey, the Fund is an eligible plan as described in Section 457 of the Internal Revenue Code. The Plan operates within the terms of the Plan and remains eligible under the applicable provisions of the Internal Revenue Code.

Termination of the Plan

The Board, in accordance with the provisions of Chapter 39, P.L. 1978, has the authority to terminate this Plan or to substitute a new plan consistent with the requirements of the United States Internal Revenue Service.

Upon termination, each participant shall be deemed to have withdrawn from the Plan as of the date of such termination; the participant's full compensation on a non-deferred basis will be restored; and the administrator shall treat such participants as if they had termination of service on the date of such termination and pay such deferred compensation in accordance with provisions of the Plan.

Any substitute of a new plan, consistent with the requirements of the United States Internal Revenue Service, shall provide for the retention by the employer of the amounts already deferred under the prior plan and for the distribution of said amounts in accordance with the irrevocable written elections made pursuant to the Plan.

(2) CASH AND CASH EQUIVALENTS

GASB Statement No. 3 requires the bank balances of deposits to be categorized to indicate the level of risk assumed by the entity. Category 1 consists of deposits that are insured or collateralized with securities held by the entity or by its agent in the entity's name. Category 2 consists of deposits collateralized with securities held by the pledging financial institutions trust department or agent in the entity's name. Category 3 consists of deposits which are uninsured and uncollateralized.

Based upon aggregate collateral levels maintained for all state bank accounts as a whole, substantially all cash balances maintained in financial institutions as of June 30, 2001 are designated Category 3.

(3) INVESTMENTS

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available finan-

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Notes to Financial Statements, Continued

(3) INVESTMENTS, Continued

cial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

The State of New Jersey Division of Investment (the Division), under the jurisdiction of the State Investment Council (the Council), has the investment responsibility of all funds administered by the State of New Jersey Division of Pensions and Benefits. All investments under the supervision of the Council must conform to standards of prudence set by state law, which mandate that the Division make investments in which fiduciaries of trust estates may legally invest.

The purchase, sale, receipt of income, and other transactions affecting investments are governed by a custodian agreement between the Plan, through the State Treasurer, and the custodian bank as an agent for the Plan. State of New Jersey laws and policies set forth the requirements of the agreement and other particulars as to the size of the custodial institution, amount of the portfolio to be covered by the agreement, and other pertinent matters.

GASB Statement No. 3 requires disclosure of the level of risk assumed by the Plan. Category 1 includes investments that are insured or registered or for which the securities are held by the Plan or its agent in the Plan's name. As of June 30, 2001 and 2000, all investments held by the Plan (other than the State of New Jersey Cash Management Funds, which are not categorized) are classified as Category 1.

Federal securities are maintained at Federal Reserve Banks in Philadelphia and New York through the custodian bank in trust for the Plan. The Plan's portfolio of equity securities is maintained by the Depository Trust Company (DTC) through the custodian bank in trust for the Plan. The custodian bank, as agent for the Plan, maintains internal accounting records identifying the securities maintained by the DTC as securities owned by or pledged to the Plan.

Securities not maintained by the DTC are held in the name of the designated nominee representing the securities, which establishes the Plan's unconditional right to the securities.

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Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Bond Fund			
United States Treasury Notes dated 20-Dec-1996, 6.625%, due 31-Jul-2001	4,000,000	\$ 4,000,982	\$ 4,009,360
United States Treasury Notes dated 15-May-1996, 7.500%, due 15-Nov-2001	5,000,000	5,020,326	5,067,950
United States Treasury Notes dated 16-May-1997, 6.250%, due 31-Jan-2002	7,000,000	6,993,638	7,099,540
United States Treasury Notes dated 30-Jun-1998, 6.250%, due 28-Feb-2002	5,000,000	5,021,607	5,080,450
United States Treasury Notes dated 12-Jan-1993, 7.500%, due 15-May-2002	2,000,000	2,012,876	2,061,700
United States Treasury Notes dated 4-Mar-1994, 6.250%, due 15-Feb-2003	5,000,000	4,994,390	5,158,600
United States Treasury Notes dated 15-May-1996, 5.750%, due 15-Aug-2003	14,000,000	13,831,807	14,398,020
United States Treasury Notes dated 31-Jan-1997, 7.250%, due 15-May-2004	5,000,000	5,098,723	5,350,800
United States Treasury Notes dated 21-Sep-2000, 7.875%, due 15-Nov-2004	3,825,000	4,040,385	4,188,987
United States Treasury Notes dated 21-Mar-2001, 5.875%, due 15-Nov-2004	10,000,000	10,446,773	10,342,100
United States Treasury Notes dated 15-Feb-1996, 6.500%, due 15-Aug-2005	5,000,000	5,127,824	5,292,950
United States Treasury Notes dated 8-Apr-1998, 5.875%, due 15-Nov-2005	5,000,000	5,053,137	5,178,100
United States Treasury Notes dated 29-Jun-1999, 6.875%, due 15-May-2006	4,900,000	5,038,766	5,284,356
United States Treasury Notes dated 2-Sep-1999, 6.500%, due 15-October-2006	13,000,000	13,202,401	13,843,960
United States Treasury Inflation Protected Security dated 14-Feb-1996, 3.375%, due 15-Jan-2007	4,000,000	4,008,463	4,523,604
United States Treasury Notes dated 24-Nov-1998, 6.125%, due 15-Aug-2007	12,900,000	13,654,396	13,526,811
United States Treasury Notes dated 8-Jun-2001, 5.500%, due 15-May-2009	8,000,000	<u>8,122,782</u>	<u>8,070,000</u>
Total United States Treasury Notes and Inflation Protected Securities		<u>115,669,276</u>	<u>118,477,288</u>
Exxon Capital Corp. NT dated 20-Dec-1991, 7.450%, due 15-Dec-2001	1,500,000	1,500,000	1,522,800
Federal National Mortgage Association NT dated 7-Feb-2001, 5.750%, due 15-Apr-2003	5,000,000	5,052,157	5,103,100
Federal Home Loan Mortgage Corp. NTS dated 28-Jun-2000, 6.25%, due 15-Jul-2004	7,000,000	6,825,394	7,228,620
General Electric Capital Corp. NT dated 28-Jun-2000, 7.50%, due 15-May-2005	5,000,000	5,025,920	5,317,250
Federal Home Loan Mortgage Corp. DEB dated 21-Sep-2000, 7.00%, due 15-Jul-2005	4,000,000	4,042,503	4,226,240

**STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN**

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Bonds (continued):			
Federal Farm Credit Bank dated 1-Sep-1998, 5.75%, due 1-Sep-2005	7,000,000	7,010,920	7,055,790
Federal National Mortgage Association Conv. AGB dated 9- Mar-2001, 6.625%, due 15-Oct-2007	10,000,000	<u>10,561,580</u>	<u>10,445,300</u>
Total Other Notes		<u>40,018,474</u>	<u>40,899,100</u>
State Of New Jersey Cash Management Fund	8,085,773	<u>8,085,773</u>	<u>8,088,980</u>
Total Bond Fund		<u>163,773,523</u>	<u>167,465,368</u>

Equity Fund

3Com Corp	10,000	\$ 81,286	\$ 47,500
AAR Corp.	4,500	93,900	76,950
Abbott Laboratories	60,000	491,585	2,880,000
Acclaim Entertainment, Inc.	1,800	26,213	8,784
Activision Inc.	10,000	71,000	392,500
ADC Telecommunications, Inc.	68,000	383,596	448,800
Adelphia Communications	11,677	619,392	478,757
Adtran Inc.	5,000	146,320	102,500
Advanced Lighting Technologies	8,000	213,250	35,200
Advanced Micro Devices, Inc.	40,000	381,357	1,156,000
AES Corp.	4,000	227,200	172,200
Aetna Inc New	4,003	86,236	103,638
Affymetrix Inc.	5,000	199,025	110,250
Agilent Technologies Inc.	23,084	303,624	750,230
Airborne Inc.	10,000	97,225	115,900
AK Steel Holding Corp.	10,000	226,500	125,400
Albertson's, Inc.	20,240	383,343	606,997
Alcan Inc.	45,000	2,116,404	1,890,900
Alcoa Inc.	45,000	2,013,597	1,773,000
Allied Waste	26,250	618,312	490,350
Allstate Corp.	33,810	493,533	1,487,302
Alltel Corp.	13,700	373,161	839,262
American Power Conversion Corp.	15,000	375,000	236,250
Ameren Corp.	10,000	386,858	427,000
American Electric Power Co., Inc.	14,760	573,743	681,469
American Express Co.	60,000	943,500	2,328,000
American Greetings Corp.	10,000	278,750	110,000
American Home Products Corp.	90,000	2,802,500	5,287,500
American International Group Inc	160,252	8,121,842	13,623,022
American Tower Corp.	10,000	284,300	206,700
American Water Works Co., Inc	30,000	735,863	989,100
Ametek, Inc.	8,000	154,763	244,400
Amgen Inc.	30,000	262,525	1,820,400
AMR Corp.	6,000	92,497	216,780

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Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Anadarko Petroleum Corp.	13,275	411,732	715,655
Anheuser-Busch Companies, Inc.	70,000	2,212,538	2,884,000
AOL Time Warner Inc.	373,320	3,506,026	19,785,960
Apple Computer Inc.	10,000	183,440	232,500
Applied Materials, Inc.	40,000	520,905	1,964,000
Archer-Daniels-Midland Co.	25,680	309,058	335,124
Arrow Electronics Inc.	1,750	44,873	42,507
Arvinmeritor Inc.	4,500	109,020	75,330
Ashland Inc.	5,000	211,720	200,500
Asm Lithography Holding Nv	18,004	281,750	400,589
Aspect Communications Corp.	20,000	685,208	139,800
@Home Corp.	8,334	181,750	17,835
At&T Corp.	226,463	6,456,297	4,982,186
At&T Corp.\Liberty Media Group	98,368	354,346	1,720,456
At&T Wireless Group	123,000	3,628,500	2,011,050
Autodesk, Inc.	12,500	442,028	466,250
Autonation, Inc.	25,000	594,624	290,000
Avalon Bay Communities, Inc.	3,000	132,490	140,250
Avanex Corp.	100	3,600	970
Avant Corp.	1,000	21,568	13,300
Avaya Inc	9,999	72,598	136,986
Avery Dennison Corp.	20,000	414,950	1,021,000
Aviation Sales	6,000	217,800	10,200
Avnet Inc.	2,610	109,437	58,516
Avon Products, Inc.	34,000	1,036,229	1,573,520
Axcelis Technoloies Inc.	9,432	30,393	139,593
Baker Hughes Incorporated	26,250	553,111	879,375
Ball Corp.	1,500	48,369	1,340
Bank Of New York Co., Inc.	150,000	1,016,742	7,200,000
Bankamerica Corp.	90,823	3,578,437	5,452,104
Bard (C.R.), Inc.	12,500	340,165	711,875
Barnes & Noble Inc.	4,000	83,850	157,400
Bassett Furniture Industries Inc	2,500	59,250	31,450
Bausch & Lomb Inc.	11,000	533,892	398,640
Becton, Dickinson And Company	20,000	569,500	715,800
Bellsouth Corp.	90,000	1,765,289	3,624,300
Belo A.H. Corp.	2,500	47,156	47,100
Bergen Brunswick Corp.	22,562	327,629	433,642
Berkshire Hathaway Inc.	525	558,375	1,207,500
Best Buy	20,500	889,879	1,302,160
Big Lots Inc.	10,000	215,282	136,800
Biogen Inc.	16,000	600,250	869,760
BJ's Wholesale Club, Inc.	15,000	635,514	798,900
Black & Decker (The) Corp.	10,000	355,500	394,600
Block (H&R), Inc.	4,500	159,030	290,475
Boeing Company	45,000	1,630,300	2,502,000
Borland Software Corp.	1,900	76,375	29,640

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Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Boston Properties Inc.	6,000	232,500	245,400
Boston Scientific Corp.	10,000	353,213	170,000
Bristol-Myers Squibb Co.	82,000	2,077,675	4,288,600
Broadcom Corp.	5,000	1,089,274	213,800
Broadwing Inc.	7,500	86,712	183,375
Brown Shoe Co., Inc.	3,500	63,588	63,175
Burlington Northern Santa Fe Cor	33,000	526,518	999,900
Burlington Resources Inc.	12,625	509,375	501,844
Cadence Design Systems, Inc.	38,250	176,800	712,597
Campbell Soup Co.	22,000	407,020	566,500
Capital One Financial Corp.	30,000	574,563	1,804,500
Cardinal Health Inc.	30,000	1,062,623	2,070,000
Carnival Corp.	120,000	3,136,928	3,684,000
Casella Waste System	8,000	216,165	100,000
Caterpillar Inc.	15,000	837,250	750,750
Cendant Corp.	89,296	1,868,400	1,741,272
Centex Construction Products Inc	5,000	205,866	162,500
Centex Corp.	30,000	781,036	1,222,500
Central Parking	10,000	196,750	187,000
Champion Enterprises Inc.	12,000	217,288	136,560
Chemfirst Inc.	11,000	199,210	288,200
Chevron Corp.	60,000	2,609,239	5,430,000
Chubb Corp.	30,000	1,162,989	2,322,900
Ciena Corp.	26,700	773,466	1,014,600
Circuit City Group	40,000	476,507	720,000
Cisco Systems Inc.	400,000	2,424,341	7,280,000
Citigroup	297,964	4,627,968	15,744,418
Citrix Systems Inc.	17,000	200,750	593,300
Clear Channel Communications, Inc	68,411	2,779,700	4,289,370
CMGI Inc.	220,000	7,212,499	660,000
CNET Networks Inc.	7,000	129,500	91,000
CNF Transportation Inc.	3,000	104,775	84,750
Coachmen Industries, Inc.	2,000	37,350	26,500
Coca-Cola (The) Co.	125,000	4,440,724	5,625,000
Colgate-Palmolive Co.	44,000	1,636,319	2,595,560
Comcast "A" Com	17,000	452,707	730,150
Comcast Corp. Cl A Special	17,000	481,480	737,800
Commscope Inc.	3,333	57,872	78,325
Computer Associates Intl., Inc.	37,500	1,270,750	1,350,000
Computer Horizons Corp.	2,000	78,560	6,220
Conexant Systems Inc.	18,000	135,727	161,100
Conoco Inc Cl. A	30,000	744,000	846,000
Conoco Inc. Cl B	6,141	54,661	177,475
Conseco Inc.	3,000	118,650	41,550
Constellation Energy Corp.	10,000	265,811	426,000
Convergys Corp.	7,500	127,413	226,875
Corn Products	1,875	29,524	60,000

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Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Corning Inc.	60,000	1,318,500	1,002,600
Corrections Corp. Amer. New	3,284	78,597	52,380
Costco Wholesale Corp.	20,000	527,563	821,600
Covanta Energy Corp.	9,000	214,200	166,140
Cox Radio Inc.	30,000	201,750	835,500
Credence Systems Corp.	5,000	72,195	121,200
Crown Cork & Seal Co., Inc.	12,000	514,676	45,000
CVS Corp.	20,000	526,780	772,000
Cypress Semiconductor Corp.	4,000	75,305	95,400
Dana Corp.	10,000	298,663	233,400
Danaher Corp.	15,000	738,813	840,000
Darden Restaurants, Inc.	10,000	87,209	279,000
Dell Computer Corp.	40,000	1,236,355	1,046,000
Delphi Automotive Systems	34,597	485,149	551,130
Dentsply International Inc.	2,000	40,765	88,700
Devon Energy Corp. New	1,650	73,031	86,625
Dillard's Inc. Cl A	17,000	602,023	259,590
Disney (Walt) Co.	104,313	1,841,981	3,013,602
Dobson Communications Corp.	1,000	22,000	17,050
Dominion Resources Inc.	14,364	484,405	863,707
Dover Corp.	15,000	240,726	564,750
Dow Chemical	72,165	1,745,035	2,399,486
Du Pont (E.I.) De Nemours & Co.	44,918	1,179,278	2,166,844
Duke Energy Corp.	38,200	1,194,820	1,490,182
Dynegy Inc.	15,000	840,947	682,500
Eastman Chemical Co.	4,000	246,700	190,520
Eaton Corp.	8,000	290,007	560,800
Ebay Inc.	14,000	951,906	958,860
Echostar Communications Corp.	10,000	414,649	324,200
El Paso Corp.	40,808	760,693	2,144,052
Electronic Data Systems	35,000	1,537,063	2,187,500
Electronics For Imaging Inc.	10,000	246,250	295,000
Emc Corp/Ma	138,250	729,180	4,043,812
Emerge Interactive Inc.	100	1,500	116
Emerson Electric Co.	20,000	881,479	1,210,000
Engage Inc.	20,000	97,438	14,600
Enron Corp.	50,000	3,523,250	2,455,000
Equifax Inc.	15,000	553,850	550,200
Equity Office	15,000	464,813	474,450
Equity Res Prop	7,000	319,288	395,850
Etalissements Delhaize Frer	2666	163,563	156,361
Ethyl Corp.	12,000	130,003	16,200
Exelon Corp.	7,600	200,232	487,312
Exxon Mobil Corp.	180,485	7,558,497	15,765,364
Federal Home Loan Mortgage Corp.	40,000	686,275	2,722,000
Federal National Mortgage Assoc.	52,000	1,213,116	4,427,800
Federated Department Stores, Inc	20,000	723,038	850,000

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Fedex Corp.	14,000	451,850	562,800
Fifth Third Bancorp	11,137	126,775	668,777
First Union Corp.	49,400	1,387,866	1,726,036
Fleet Boston Financial Corp.	80,000	983,800	3,156,000
Fluor Corp.	5,000	128,076	225,750
FMC Corp.	13,000	733,280	891,280
Ford Motor Co. Del	68,948	884,154	1,692,673
Forest Laboratories, Inc. Class A	14,000	143,780	994,000
Franklin Electronic Publishers	20,000	130,611	51,000
Gannett Co., Inc.	17,000	416,840	1,120,300
Gap (The), Inc.	67,500	444,375	1,957,500
Gateway Inc.	15,000	232,400	246,750
Gemstar Intl Gr	25,000	1,208,126	1,065,000
General Dynamics Corp.	10,000	367,330	778,100
General Electric Co.	530,000	4,842,162	25,837,500
General Mills, Inc.	8,600	120,595	376,508
General Motors Corp.	49,500	2,311,841	3,185,325
General Semiconductor Inc.	2,500	40,653	26,150
Georgia Pacific Timber Group	10,000	208,969	357,500
Georgia-Pacific Corp.	20,000	499,031	677,000
Gilead Sciences Inc.	5,000	70,825	290,950
Gillette Co.	80,000	1,355,327	2,319,200
Glenayre Technologies Inc.	10,000	235,705	12,800
Global Crossing Ltd.	45,500	548,038	393,120
Golden State Bancorp.	6,000	109,050	184,800
Goldman Sachs Group Inc.	10,000	530,000	858,000
Goodrich (B.F.) Co.	17,000	581,325	645,660
Goodyear Tire & Rubber Co.	10,000	756,750	280,000
Grainger (W.W.), Inc.	8,000	227,293	329,280
Grant Prideco Inc.	1,900	24,060	33,231
Great Lakes Chemical Corp.	6,000	328,084	185,100
Halliburton Co.	22,000	476,850	783,200
Harland (John H.) Co.	4,000	92,700	93,200
Harley-Davidson, Inc.	96,000	539,340	4,519,680
Harmonic Inc.	7,597	72,954	75,970
Hartford Financial Services	20,000	1,204,768	1,368,000
HCA-The Healthcare Co.	40,000	1,297,920	1,807,600
Heinz (H.J.) Co.	12,750	316,463	521,347
Hercules Inc.	30,000	548,207	339,000
Hewlett-Packard Co.	117,000	1,129,748	3,346,200
Hockey Company (The)	149	37,500	115
Home Depot (The), Inc.	120,744	1,572,303	5,620,633
Homestore.Com Inc.	5,000	136,900	174,800
Honeywell International Inc.	200,000	6,929,457	6,998,000
Houghton Mifflin Co.	6,000	185,649	359,580
Household International, Inc.	78,000	1,047,333	5,202,600
Hudson United Bancorp	1,200	24,657	30,603

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Hunt (J.B.) Transport Svcs Inc	7,000	101,283	133,000
I2 Technologies Inc.	16,000	92,260	316,800
Ikon Office Solutions Inc.	15,000	370,125	147,000
Illinois Tool Works Inc.	15,000	421,470	949,500
Informix Corp.	8,745	214,620	51,071
Infousa Inc.	10,000	100,416	60,000
Ingersoll-Rand Co.	10,000	270,133	412,000
Input/Output Inc.	2,000	30,100	25,400
Integrated Device Technology, Inc.	5,000	101,558	158,450
Intel Corp.	400,000	2,022,626	11,700,000
Intermedia Communications Inc.	6,000	94,689	89,400
Internet Capital Group, Inc.	10,000	363,750	20,000
Interpublic Group Companies, Inc.	9,000	102,645	264,150
Intervoice Inc.	9,571	86,875	105,281
Intimate Brands Inc.	3,150	60,075	47,470
Intl Business Machines Corp.	135,000	3,588,908	15,255,000
Intl Rectifier Corp.	5,000	185,595	170,500
Iomega Corp.	20,000	196,000	47,800
ITT Industries	6,000	190,050	265,500
Jabil Circuit	40,000	390,813	1,234,400
JDS Uniphase Corp.	59,000	2,114,792	737,500
Jefferson Pilot Corp.	7,500	331,614	362,400
JLG Industries	10,000	153,625	123,500
Johnson & Johnson	124,000	1,789,339	6,200,000
Johnson Controls, Inc.	10,000	288,823	724,700
Jones Apparel Group Inc.	5,000	85,250	216,000
JP Morgan Chase & Co.	95,000	2,538,079	4,237,000
Juniper Network	25,000	1,834,663	777,500
K Mart Corp.	27,000	325,225	309,690
Kana Communications	2,000	34,500	4,080
Kansas City Southern Industries	3,000	2,976	47,400
Kerr-Mcgee Corp.	10,000	479,238	662,700
Keycorp	4,000	87,350	104,200
Kimberly-Clark Corp.	27,500	1,466,919	1,537,250
Kimco Realty Corp.	5,000	218,750	236,750
KLA-Tencor Corp.	20,000	423,026	1,169,400
Kohls Corp.	20,000	267,125	1,254,600
Kroger Co.	26,000	508,200	650,000
Kulicke & Soffa Industries, Inc.	12,000	201,480	205,920
LAM Research Corp.	30,000	276,571	889,500
Lattice Semiconductor Corp.	8,000	71,350	195,200
Lear Corp.	15,000	531,188	523,500
Legg Mason Inc.	13,332	234,125	663,400
Level 3 Communications	6,000	421,016	32,940
Liberate Technologies	2,500	266,094	27,375
Lifepoint Hospitals Inc.	2,105	34,474	93,209
Lilly (Eli) & Co.	88,812	3,272,315	6,572,088

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Limited Inc.	1,982	18,631	32,743
Liz Claiborne, Inc.	20,000	693,402	1,009,000
Lockheed Martin Corp.	17,707	663,631	656,044
Louisiana-Pacific Corp.	20,000	676,975	234,600
Lowes Companies	18,000	1,022,878	1,305,900
LSI Logic Corp.	18,060	124,396	339,528
Lucent Technologies, Inc.	80,000	714,022	496,800
Manor Care Inc.	10,000	326,501	317,500
Manpower Inc.	11,000	379,065	328,900
Manugistics	13,000	187,720	326,300
Massey Energy Cop.	5,000	43,424	98,800
Mattel, Inc.	21,250	351,305	402,050
May Department Stores Co.	22,500	486,032	770,850
Maytag Corp.	5,000	334,625	146,300
MBNA Corp.	30,000	1,070,250	990,000
Mcdata Corp Class A	10,088	114,530	177,044
Mcdata Corp.	1,000	28,000	21,840
McDermott International, Inc.	20,000	614,750	233,000
McDonald's Corp.	67,000	1,152,606	1,813,020
McGraw-Hill Companies, Inc.	20,000	339,250	1,323,000
Medtronic, Inc.	112,000	506,693	5,153,120
Mellon Financial Corp.	34,000	1,019,575	1,523,540
MEMC Electronics Materials Inc.	5,000	135,612	38,250
Merck & Co., Inc.	142,000	3,554,417	9,075,220
Mercury General Corp.	5,000	325,250	174,850
Merrill Lynch & Co., Inc.	100,000	1,802,162	5,925,000
Michaels Stores Inc.	8,000	156,930	328,000
Microchip Technology Inc.	20,250	221,260	676,957
Microsoft Corp.	365,600	5,471,981	26,688,800
Midway Games Inc.	5,000	102,075	92,500
Milacron Inc.	9,000	209,865	141,030
Minnesota Mining & Manufacturing	14,000	511,478	1,597,400
MIPS Technologies Inc.	1,801	99,791	23,233
Mirant Corp.	12,723	286,282	437,671
Mississippi Chemical Corp.	6,674	128,891	20,622
Mitchell Energy & Development	3,000	165,090	139,800
Montana Power	16,000	587,525	185,600
Morgan S D Witter Discover & Co.	62,700	458,664	4,027,221
Motorola, Inc.	130,000	1,375,914	2,152,800
Msc.Software Corp.	10,000	123,950	187,500
Mylan Laboratories Inc.	31,000	493,164	872,030
National Semiconductor Corp.	17,062	628,219	496,845
Nationwide Health Properties Inc	5,000	108,375	101,000
Navistar 5,000	108,250	140,650	
Nbc Internet Inc.	5,000	276,704	10,800
NCR Corp.	3,125	83,132	146,875
Net.B@NK Inc.	30,000	608,658	339,000

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Networks Associates	25,000	349,688	311,250
New Jersey Resources Corp.	7,000	166,545	316,400
Newell Rubbermaid Inc.	13,912	597,994	349,191
Newpark Resources, Inc.	100,000	1,048,440	1,110,000
Nextel Communications, Inc.	40,000	1,924,687	700,000
Nordstrom Inc.	6,000	233,250	111,300
Norfolk Southern Corp.	19,500	269,571	404,625
Nortel Networks Corp.	130,000	2,130,817	1,173,900
Northern Trust	10,000	378,750	625,000
Northrop Gruman Corp.	5,000	454,750	400,500
Novell, Inc.	29,600	610,491	168,424
Novellus Systems, Inc.	3,000	38,275	170,370
NTN Communications, Inc.	15,000	75,504	11,400
Nucor Corp.	8,000	418,235	391,120
Occidental Petroleum Corp.	67,000	1,315,214	1,781,530
Office Depot Inc.	23,625	204,710	245,227
Openwave Sys Inc.	2,400	313,200	83,280
Oracle Corporation	60,000	1,784,664	1,140,000
Orbital Sciences Corp.	10,000	265,748	38,800
Paccar Inc.	4,500	203,858	231,390
Pacificare Health Systems CI - A	1,000	62,062	16,300
Pactiv Corp.	6,500	190,076	87,100
Pall Corp.	20,000	495,921	470,600
Palm, Inc.	15,032	331,939	91,244
Parker-Hannifin Corp.	5,000	242,125	212,200
Paxson Communications Corp.	20,000	156,000	268,000
Paychex Inc.	20,000	740,300	800,000
Peabody Energy Corp.	1,000	28,000	32,750
Penney J.C.	15,000	261,375	395,400
Pep Boys - Manny, Moe & Jack	7,500	174,975	84,225
Pepsico, Inc.	69,000	1,075,556	3,049,800
Per-Se Technologies Inc.	3,333	72,750	27,164
Pfizer Inc.	413,500	4,155,888	16,560,675
PG&E Corp.	32,700	989,007	366,240
Pharmacia Corp.	140,048	6,027,347	6,435,205
Philip Morris Companies Inc.	116,000	3,121,052	5,887,000
Pinnacle Hold	30,000	191,250	180,300
PNC Bank Corp.	14,000	544,950	921,060
PPG Industries, Inc.	14,000	431,575	735,980
Praxair Inc.	14,000	569,825	658,000
Precision Castparts Corp.	6,000	142,974	224,520
Price T Rowe Group Inc.	8,000	40,150	299,120
Procter & Gamble Co.	82,000	2,448,948	5,231,600
Providian Corp.	14,000	784,369	828,800
Public Service Co Of New Mexico	5,000	59,000	160,550
Public Svc Enterprise Group Inc.	20,000	582,250	978,000
Pulte Corp.	12,000	187,350	511,560

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Qualcomm Inc.	85,000	484,727	4,970,800
Qwest Communications Intl., Inc.	73,233	2,447,703	2,333,936
Ralston Purina Group	24,000	512,805	720,480
Rambus Inc.	4,000	43,250	49,240
Rare Medium Group Inc.	5,000	35,000	2,050
Raytheon Co.	20,000	924,212	531,000
Reliant Energy Inc.	15,000	713,768	483,150
Respironics Inc.	3,000	75,375	89,280
Reynolds & Reynolds Co.	3,000	57,638	65,850
Rite Aid Corp.	11,000	436,696	99,000
Robert Half International, Inc.	39,000	244,293	970,710
Rockwell International Corp.	18,000	651,286	686,160
Rohm & Haas Co.	13,425	375,770	441,682
Royal Dutch Petroleum Co.	105,000	4,479,960	6,118,350
RSA Security Inc.	4,500	97,875	139,275
Ryerson Tull Inc.	4,000	100,200	53,960
Sabre Corp.	4,335	126,338	216,750
Safeguard Scientifics Inc.	11,000	501,313	56,540
Safeway Inc.	26,000	811,975	1,248,000
Saks, Inc.	10,000	340,131	96,000
Sara Lee Corp.	32,000	363,724	606,080
SBC Communications, Inc.	157,650	5,372,171	6,315,459
Schering-Plough	160,000	7,165,931	5,798,400
Schlumberger Ltd.	30,000	1,391,203	1,579,500
Scholastic Corp.	10,000	369,375	421,000
Schulman (A.) Inc.	6,000	137,895	81,000
Schwab Charles	25,000	540,525	393,750
SCI Systems Inc.	18,000	759,450	459,000
Scientific-Atlanta, Inc.	16,000	164,355	649,600
SEI Investments	10,000	182,728	474,000
Sensormatic Electronics Corp.	2,000	32,600	34,000
Sepracor Inc.	2,000	142,625	79,600
Sinclair Broadcasting Group Inc.	8,000	203,500	82,400
SLI Inc.	7,500	115,590	61,875
Solutia Inc.	7,500	75,436	95,625
Southern Co.	32,000	451,691	744,000
Sovereign Bancorp Inc.	10,000	163,625	130,000
Spectrian Corp.	8,000	184,000	128,000
Speedway Motorsports, Inc.	2,000	46,600	50,420
Spherion Corp.	6,000	78,050	53,700
Sprint Corp.	60,000	673,848	1,281,600
Sprint Pcs Group	46,000	816,330	1,110,900
SPX Corp.	10,706	429,040	1,340,177
St. Jude Medical, Inc.	1,036	31,671	62,160
St. Paul Companies Inc. (The)	11,284	431,000	572,099
Standard Register Co.	2,500	41,400	46,250
Stanley Works	20,000	498,548	837,600

**STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN**

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Staples Inc.	120,232	311,283	1,922,509
Stilwell Financial Inc.	12,000	96,874	402,720
Storage Technology Corp.	4,000	104,906	55,040
Stratos Lightwave Inc.	1,000	21,000	13,000
Structural Dynamics Research Cor	10,000	91,875	245,000
Stryker Corp.	5,200	45,663	285,220
Sun Microsystems, Inc.	400,000	1,864,656	6,288,000
Sunco Inc.	10,000	348,750	366,300
Super Valu Inc.	10,000	216,750	175,500
Superior Telecommunications Inc.	4,023	76,375	11,345
Sycamore Networ	15,000	1,534,063	139,800
Symbol Technologies, Inc.	15,093	186,225	335,064
Sysco Corp.	42,000	253,870	1,140,300
Target Corp.	40,000	927,562	1,384,000
Tektronix, Inc.	9,000	96,075	244,350
Tellabs Inc.	5,000	257,500	96,900
Tenet Healthcare Corp.	20,000	781,248	1,032,000
Texas Instruments Inc.	150,000	607,469	4,785,000
Textron	8,000	406,400	440,320
Thermo Electron Corp.	27,000	988,634	594,540
Tollgrade Communications Inc.	2,000	19,280	57,000
Toro (The) Co.	6,000	183,550	269,700
Toys R Us Inc.	5,000	89,938	123,750
Transkaryotic Therapies Inc.	10,000	215,558	294,500
Transocean Sedco Forex Inc.	14,759	621,409	608,809
Triad Hospitals Inc.	4,105	87,982	120,974
Tribune Co.	42,000	1,570,606	1,680,420
Tricon Global Restaurants	6,900	94,634	302,910
Trinity Industries, Inc.	10,000	338,180	205,000
Triumph Group	2,500	73,563	122,500
TRW Inc.	25,000	874,071	1,025,000
Tyco International Inc.	142,496	4,861,532	7,767,457
U.S. Bancorp	97,950	2,702,250	2,232,280
U.S. Industries, Inc.	8,500	165,963	34,850
Unilever N V Ny Shs	22,321	1,845,580	1,329,662
Union Pacific Corp.	8,500	309,240	466,735
United Parcel Service	5,000	233,125	289,000
United Technologies Corp.	30,000	1,089,647	2,197,800
Unitedhealth Group Inc.	18,400	419,285	1,136,200
Universal Health Services	4,000	108,225	182,000
Univision Communications	10,000	170,313	427,800
Unocal Corp.	20,000	706,440	683,000
Unova Inc.	7,500	99,901	51,600
Unumprovident Corp.	28,000	568,313	899,360
USA Ed Inc	52,500	1,100,000	3,832,500
USA Networks Inc.	15,500	165,567	434,000
UST Inc. 40,000	1,185,533	1,154,400	

STATE OF NEW JERSEY
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Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
USX-US Steel Group	10,000	267,950	201,500
V.F. Corp.	4,000	89,460	145,520
Veritas Software Corp.	10,000	571,045	665,300
Verity, Inc.	2,000	34,790	39,900
Verizon Communications	113,200	3,974,434	6,056,200
Viacom Inc. Class A	20,000	400,500	1,060,800
Viacom Inc. Class B	113,400	2,619,563	5,868,450
Vishay Intertechnology, Inc.	13,680	262,255	314,640
Visteon Corp.	3,666	15,646	67,381
Walgreen Co.	46,000	287,112	1,585,160
Wal-Mart Stores, Inc.	230,000	3,987,170	11,224,000
Washington Federal Inc.	2,662	49,500	65,272
Washington Mutual Inc.	32,400	463,780	1,216,620
Waste Holdings Inc.	10,000	215,779	76,000
Waste Management, Inc. Del	21,218	701,070	653,939
Weatherford International	1,900	48,040	91,200
Webb (Del) Corp.	12,000	302,280	464,280
Wells Fargo & Co.	85,000	2,748,563	3,946,550
Wendy's International, Inc.	34,500	456,213	881,130
Westvaco Corp.	2,000	58,975	48,580
Weyerhaeuser Co.	31,000	1,333,198	1,704,070
Whirlpool Corp.	10,000	552,668	625,000
Williams Communications Group	53,439	147,139	158,714
Williams Companies Inc.	64,980	1,648,330	2,141,091
Wind River Systems Inc.	1,840	22,000	32,126
Wisconsin Central Transportation	8,000	278,217	133,840
Worldcom Inc.	80,000	1,791,727	1,136,000
Worldcom-Mci Group	3,200	74,992	51,520
Worldgate Communications Inc.	5,000	169,375	25,500
WPS Resources Corp.	6,800	191,726	239,700
Wrigley (Wm.) Jr. Co.	8,000	191,900	374,800
Xcel Energy Inc.	16,243	297,010	462,113
Xerox Corp.	44,000	1,383,858	421,080
XO Communications Inc.	4,000	116,458	7,680
Yahoo! Inc.	15,000	239,063	299,850
York International	2,000	<u>83,600</u>	<u>70,040</u>
Total Common Stocks		363,043,141	639,689,572
State of New Jersey Cash Management Fund	3,044,992	<u>3,044,992</u>	<u>3,046,200</u>
Total Equity Fund		<u>366,088,133</u>	<u>642,735,772</u>

Small Cap Equity Fund

AAR Corporation	20,000	\$ 346,513	\$ 342,000
Abbott Laboratories	2,700	50,655	129,600
Abercrombie & Fitch Co.	18,000	632,054	801,360
Abgenix	10,000	509,625	450,000

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Acclaim Entertainment, Inc.	15,000	120,000	73,200
Acme Communication	15,000	208,213	123,150
ACT Mfg.	15,000	299,688	164,100
Acterna Corp.	4,111	35,294	45,221
Activision Inc.	20,000	187,373	785,000
Adelphia Communications	10,000	576,773	410,000
Adtran Inc.	5,000	346,250	102,500
Advanced Lighting Technologies	10,000	268,750	44,000
Affil Mgrs Grp.	7,000	391,569	430,500
Airborne Inc.	6,000	86,400	69,540
AK Steel Holding Corp.	31,487	647,175	394,847
Albemarle	6,500	153,031	150,605
Alexion Pharmaceutical	2,000	81,750	48,000
Alkermes Inc.	20,000	547,215	702,000
Alliant Techsystems	4,500	175,288	404,550
Allied Waste	18,250	199,679	340,910
Amazon.Com Inc.	4,000	65,153	56,600
AMC Entertainment Inc.	20,000	83,500	260,000
America Online Latin America Inc.	20,000	91,496	179,800
Ameritrade Holding	15,000	300,938	119,400
Ames Department Store	15,000	147,257	20,850
Ametek Inc.	5,000	114,994	152,750
Amylin Pharmaceuticals Inc.	20,000	272,200	225,000
Anadigics Inc.	4,000	349,031	92,000
Andrew Corp.	8,500	253,125	156,825
Angelica Corp.	15,000	154,700	165,000
Answerthink Consulting Group Inc.	20,000	152,350	199,800
Aperian Inc.	16,666	225,000	12,666
Aptargroup Inc.	15,000	439,038	486,450
Aradigm Corp.	4,000	55,000	28,000
Arathocare	15,000	317,527	392,250
Arvinmeritor Inc.	20,625	492,736	345,262
ASM Lithography Holding NV	5,144	79,620	114,454
Aspect Communications Corp.	15,000	607,927	104,850
Astropower Inc.	8,000	288,583	417,120
@Home Corp.	12,502	220,219	26,754
AT&T Corp.\Liberty Media Group	33,798	645,108	591,127
AT&T Corporation	6,948	204,893	152,856
Autodesk Inc.	10,000	233,750	373,000
Avalon Bay Communities, Inc.	10,000	363,938	467,500
Avant Corp.	30,000	469,128	399,000
Aviall, Inc.	12,000	138,724	131,640
Aviation Sales Co.	6,000	216,981	10,200
Avici Systmes Inc.	2,000	215,375	17,140
Avid Technology Inc.	13,000	243,750	204,100
Avnet Inc.	21,750	541,963	487,635
Axys Pharmaceuticals	11,000	72,750	46,200

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<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Ball Corp.	10,000	382,838	475,600
Bancwest Corp. New	7,000	136,265	240,800
Barnes & Noble, Inc.	7,000	174,188	275,450
Barr Laboratories Inc.	3,000	220,337	207,600
Bassett Furniture Industries Inc.	5,000	146,855	62,900
Beasley Broadcast Group Inc.	5,000	65,625	85,000
Beckman Coulter	17,000	628,625	693,600
Belo (A.H.) Corp.	10,000	210,219	188,400
Bemis Co.	10,000	298,000	401,700
Bergen Brunswig Corp.	6,250	77,625	120,125
Berry Petroleum Co.	15,000	211,375	217,500
Big City Radio	35,000	164,777	122,500
Bindview Development Corp.	15,000	122,188	31,650
Biocryst Pharmaceuticals Inc.	10,000	124,155	64,500
BJ'S Wholesale Club, Inc.	10,000	248,167	532,600
Blackrock Inc.	10,000	265,500	342,900
Blockbuster Inc.	10,000	141,976	182,500
Blyth Industries, Inc.	10,000	254,250	257,100
BOK Financial Corp.	24,720	412,888	664,968
Borders Group	20,000	310,125	448,000
Borland Software Corp.	3,100	31,712	48,360
Boston Props. Inc.	7,000	245,788	286,300
Brinker International Inc.	15,000	292,000	387,750
Brown Shoe Co., Inc.	6,500	113,613	117,325
Brunswick Corp.	30,000	527,125	720,900
Brush Wellman	10,000	181,666	160,000
Buckle (The) Inc.	5,000	152,750	94,500
Burlington Coat Factory	7,200	148,848	144,000
Cabot Corp.	20,000	484,625	720,400
Cambrex	4,000	156,000	202,320
Caminus Corp.	10,000	321,276	269,700
Carlisle Cos.	5,000	210,469	174,350
Carr America Realty Corp.	15,500	350,025	472,750
Casella Waste System	40,000	633,814	500,000
Cavalier Homes Inc.	10,000	95,500	29,000
Centex Construction Products Inc.	5,000	205,866	162,500
Centex Corp.	3,000	77,356	122,250
Central Parking	10,000	202,219	187,000
Champion Enterprises	7,000	119,163	79,660
Chateau Communities Inc.	6,000	161,488	188,400
Checkpoint Systems, Inc.	10,000	171,188	176,000
Childrens Place Retail Stores	20,000	450,178	536,000
Chris-Craft Industries, Inc.	6,367	352,431	454,604
Chubb Corp.	3,705	188,775	286,878
Church & Dwight Co. Inc.	30,000	491,544	763,500
Circuit City Group	25,000	407,050	450,000
City National Corp.	10,000	327,031	442,900

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<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Claire's Stores	5,000	106,500	96,800
Clarcor	5,000	90,025	134,250
Clear Channel Communications	5,086	315,317	318,892
CMG Information Services, Inc.	35,256	350,078	105,768
CNET Networks Inc.	3,000	42,060	39,000
CNF Transportation, Inc.	10,000	327,438	282,500
CNS Inc.	15,000	79,625	59,250
Coachmen Industries	4,500	90,194	59,625
Commerce Bancorp, Inc. (NJ)	10,063	439,944	705,416
Computer Horizons Corp.	10,000	137,935	31,100
Computer Task Group, Inc.	7,000	190,625	25,480
Corn Products	6,000	200,525	192,000
Corvas International	3,000	23,938	35,340
Covanta Energy Corp.	4,000	96,450	73,840
Cox Communications Inc. New	2,772	31,915	122,800
Cox Radio, Inc.	12,000	99,138	334,200
Crane Co.	17,000	410,258	527,000
Crompton Corp.	50,000	553,117	545,000
Crossmann Communities Inc.	12,200	302,150	484,218
Crown Cork Seal	20,000	163,450	75,000
Cullen Frost Bk	8,000	305,338	270,800
Cumulus Media	21,000	346,875	285,180
Curis Inc.	9,000	250,412	56,790
Cymer Inc.	4,300	132,043	108,747
Cypress Semiconductor Corp.	7,500	105,438	178,875
Cytec Corp.	25,000	521,075	576,250
Deluxe Corp.	5,000	92,527	144,500
Dentsply International Inc.	5,000	136,593	221,750
Devon Energy Corp. New	4,950	231,281	259,875
Devry Inc.	8,000	110,106	288,960
Dial (The) Corp.	5,500	96,338	78,375
Diebold Inc.	10,000	300,188	321,500
Digital River	15,000	146,438	67,500
Dillard's Inc. A	23,000	336,501	351,210
Dime Bancorp	25,000	425,885	931,250
Dime Bancorp Warrant LTW	35,000	0	9,800
Dimon, Inc.	21,500	280,356	215,000
Dionex Corp.	4,000	102,935	133,000
Discount Auto Parts Inc.	10,500	168,493	113,925
Disney Walt Co.	667	100,403	19,270
Dobson Communications Corp.	5,000	110,000	85,250
Docucorp International Inc.	400	2,000	1,440
Dover Downs Entertainment Inc.	14,400	166,816	221,760
Drugstore.Com I	15,000	257,750	16,950
Duke-Weeks Realty Corp.	30,000	556,038	745,500
Dun & Bradstreet	12,000	314,376	338,400
E*Trade Group	12,000	77,246	77,400

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<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Earthlink Network	9,690	311,063	136,629
Eaton Vance Corp.	10,000	326,941	348,000
Echelon Corp.	10,000	334,188	307,600
Edo Corp.	4,000	62,960	63,800
Edwards Lifesci	15,000	268,875	395,400
Efunds Corp.	10,757	218,423	200,080
Electronics Boutique Holdings	15,000	264,906	476,250
Electronics for Imaging Inc.	5,000	97,650	147,500
EMC Corp/Ma	6,562	186,526	191,938
Emisphere	6,000	154,938	189,000
Entercom Communications	8,000	348,025	428,880
Entertainment Properties Trust	35,000	493,637	638,750
Entravision Communication	15,000	276,032	184,500
Enzon Inc.	10,000	441,750	625,000
ESCO Technologies Inc.	4,500	76,685	135,675
Ethan Allen Interiors, Inc.	15,000	385,172	487,500
Exar Corp.	19,500	144,700	385,320
Exide Corp.	8,000	132,588	92,000
Exodus Communications Inc.	5,000	56,211	10,300
Express Scripts Inc.	14,000	261,750	770,420
Factset Research Systems	10,000	318,575	357,000
Fairchild Semiconductor Intl Inc.	10,000	243,500	230,000
First Consulting Group Inc.	20,000	140,328	144,000
Fleming Companies Inc.	4,000	96,186	142,800
Florida East Coast Ind., Inc.	8,000	193,194	283,200
Florida Rock Industries, Inc.	10,000	358,295	469,000
FMC Corp.	10,000	767,805	685,600
Forest Laboratories, Inc. Class A	12,000	148,138	852,000
Franklin Electronic Publishers	10,000	65,305	25,500
Friedman Billings Ramsey Group	10,000	77,188	70,000
General Growth	8,000	279,400	314,880
General Maritime Corp.	10,000	180,000	146,000
Gerber Scientific Inc.	10,000	164,144	109,500
Gilead Sciences, Inc.	17,000	544,088	989,230
Glenayre Technologies, Inc.	9,000	99,320	11,520
Globix Corp.	30,000	855,313	60,300
Golden State Bancorp.	11,000	226,175	338,800
Granite Construction Inc.	4,500	74,400	114,390
Great A&P	55,000	550,245	814,000
Grey Wolf Inc.	30,000	192,000	120,000
Guilford Pharmaceuticals Inc.	6,000	148,219	204,000
Hardinge Inc.	20,000	222,500	289,600
Harland (John H.) Co.	4,000	92,700	93,200
Harmonic Inc.	7,055	251,027	70,550
Harris Corp.	8,000	250,713	217,680
Hauppauge Digital Inc.	19,000	249,250	39,520
Helix Technolgy	5,000	250,000	152,400

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<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Heller Financial	10,000	324,836	400,000
Helmerich & Payne, Inc.	15,000	697,245	462,300
Henry Schein Inc.	20,000	351,000	765,000
Hercules Inc.	50,000	673,781	565,000
Hewlett Packard Co.	5,352	354,452	153,067
Hi / Fn Inc.	4,000	319,700	60,520
Hibernia Corp.	25,000	350,008	445,000
Hispanic Broadcasting Corp.	10,000	237,750	286,900
Homebase Inc. (Waban)	20,000	176,293	69,000
Host Marriott Corp.	50,000	461,875	626,000
Houghton Mifflin Co.	9,000	333,219	539,370
Hudson United Bancorp	5,871	137,109	149,710
Huffy Corp.	6,000	88,862	57,840
Hunt (J.B.) Transport Services, Inc.	5,500	81,876	104,500
I2 Technologies Inc.	10,000	57,663	198,000
ICN Pharmactcal	18,000	644,663	570,960
Idacorp. Inc..	11,000	456,550	383,680
Identix, Inc.	9,000	87,761	56,250
IDT Corp.	10,500	129,215	141,750
IDT Corp.	10,500	103,962	115,500
Ikon Office Solutions Inc.	10,000	123,000	98,000
Illumina Inc.	20,000	358,179	235,600
Imclone Systems	5,000	273,438	264,000
Incyte Pharmaceuticals Inc.	10,000	680,187	245,200
Infogrames Inc.	3,000	18,150	22,800
Informix Corp.	23,000	173,688	134,320
Infospace Inc.	20,020	206,458	76,877
Infousa Inc. New	7,000	99,890	42,000
Inhale Therapeutic Sustems Inc.	10,000	378,375	230,000
Inktomi Corp.	4,000	86,000	38,360
Insight Communications Co. Inc.	10,000	255,000	250,000
Interactive Data Corp.	13,000	89,152	117,000
Intermedia Communications, Inc.	8,000	160,751	119,200
Intermet Corp.	10,000	147,500	56,500
International Rectifier Corp.	15,000	562,041	511,500
Internet Capital Group Inc.	10,000	870,455	20,000
Intervoice Inc.	13,400	130,938	147,400
Intl Flavors	20,000	432,864	502,600
Intl. Speedway Corp.	6,200	138,865	260,400
Invacare Corp.	5,000	189,630	193,150
Investment Technology Group	5,000	241,730	251,450
Invitrogen Corp.	3,000	97,402	215,400
ITT Educational Services Inc.	6,000	127,050	270,000
Ivax Corp.	23,000	210,422	897,000
Jabil Circuit	10,000	94,368	308,600
Jacobs Engineering Group Inc.	10,000	500,776	652,300
JDS Uniphase Corp.	8,000	27,363	100,000

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<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
JLG Industries	50,000	598,956	617,500
JPM Co. 17,000	220,431	4,250	
Kemet Corp.	12,500	328,281	251,250
Kimco Realty	25,000	924,969	1,183,750
Knight Trading Group Inc.	10,000	470,900	106,900
Kulicke & Soffa Industries Inc.	9,000	148,281	154,440
KV Pharmaceutical Inc.	15,000	240,500	416,250
L-3 Communications Holdings Inc.	10,000	491,371	763,000
Lafarge Corp.	10,000	250,375	335,100
Lam Research Corp.	9,000	115,093	266,850
Landrys Seafood Restaurants	10,500	228,898	178,500
Lattice Semiconductor Corp.	10,000	157,965	244,000
La-Z-Boy Inc.	6,000	94,050	111,000
Lear Corp.	6,000	173,175	209,400
Legg Mason, Inc.	10,332	231,131	514,120
Lending Tree.Com	35,000	340,988	222,950
Lennar Corp.	12,000	264,225	500,400
Lennox International	10,000	84,250	109,500
Liberate Technologies	7,500	71,625	82,125
Liberty Digital Inc. Cl. A	20,000	84,890	121,800
Liberty Property Trust	25,000	651,599	740,000
Ligand Pharmaceuticals Inc.	23,000	327,965	259,900
Lincare Holding	26,000	386,430	780,260
Linens N Things	10,000	327,742	273,200
Liz Claiborne	10,000	495,577	504,500
Lockheed Martin Corp.	2,256	76,978	83,585
Lojack Corp.	9,000	127,960	51,480
Lone Star Tech	2,500	98,875	90,500
Longs Drug St	20,000	512,485	431,000
LSI Logic Corp.	10,270	143,813	193,076
Lubrizol Corp.	6,000	159,900	186,300
Lyondell Chemic	10,000	143,000	153,800
Macdermid Inc.	7,000	135,475	126,000
Manugistics Group, Inc.	10,000	138,660	251,000
Marimba	5,500	79,702	11,605
Marketing Services Group	30,000	428,958	24,600
Marketwatch.Com Inc.	1,600	53,850	3,952
Martin Mar Metals	10,000	440,280	494,900
Mastec Inc.	10,000	263,419	132,000
McCormick & Co. Inc.	5,000	158,688	210,100
McData corp.	400	11,200	8,736
McData corp. class A	241	4,103	4,230
McDermott International, Inc.	8,000	155,025	93,200
McLeodusa Inc - A	15,000	203,938	68,850
MEMC Electronics Materials Inc.	7,500	162,244	57,375
Mentor Graphics	5,000	141,740	87,500
Mesaba Holdings, Inc.	12,750	145,855	117,555

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<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Meta Group, Inc.	6,000	81,120	15,480
Michaels Stores, Inc.	5,000	117,974	205,000
Microsoft Corp.	1,575	123,699	114,975
Midwest Express Holdings, Inc.	5,900	138,483	102,365
Milacron Inc.	12,000	174,025	188,040
Millenium Chem	9,000	148,763	135,450
Millipore Corp.	2,000	133,350	123,960
Minimed Inc.	7,000	302,989	336,000
Mississippi Chemical Corp.	5,000	115,625	15,450
Mitchell Energy	8,000	377,713	372,800
Monaco Coach Corp.	30,000	286,855	996,000
Montana Power Co.	12,000	174,662	139,200
Multex.Com Inc.	2,500	63,750	40,625
Myraid Genetics	2,000	165,551	126,640
National Golf Properties	5,000	106,919	136,250
National RV Holdings Inc.	24,000	411,138	360,000
Nationwide Health Properties, Inc.	4,000	86,700	80,800
Nautica Enterprises, Inc.	4,000	103,465	81,720
NBC Internet Inc.	25,000	1,343,048	54,000
NCO Group Inc.	7,000	130,750	216,510
Nelson (Thomas), Inc.	16,000	210,844	112,480
Net.B@NK Inc.	7,000	110,591	79,100
Netopia Inc.	18,000	455,793	110,520
Neurocrine Biosciences Inc.	11,000	146,058	439,890
New Jersey Resources Corp.	3,000	103,250	135,600
New York Cmnty Bncorp. Inc.	30,000	392,719	1,129,500
Newpark Resources, Inc.	22,000	281,951	244,200
NTN Communications Inc.	40,000	210,608	30,400
Nvidia Corp.	5,000	352,772	463,750
Oak Technology, Inc.	9,000	89,901	95,310
Office Depot Inc.	40,000	389,228	415,200
Office Max	75,000	213,975	276,750
Oneok Inc.	20,000	430,375	394,000
Orbital Sciences Corp.	14,500	399,552	56,260
Oregon Steel Mills Inc.	10,000	161,750	85,000
OSI Pharmaceutc	6,000	342,188	315,540
Outback Steakhouse Inc.	15,000	346,425	432,000
Packeteer Inc.	20,000	205,914	250,600
Paxson Communications Corp.	72,000	590,922	964,800
Peabody Energy Corp.	1,000	28,000	32,750
Pegasus Communications Corp.	5,000	196,563	112,500
Pennzoil - Quaker State	8,000	93,900	89,600
Pentair Inc.	25,000	898,632	845,000
Peoples Bank Bridgeport Conn.	3,000	58,348	69,930
Perrigo Co.	30,000	383,264	500,700
Per-Se Technologies Inc.	3,333	72,390	27,164
Pharmacia Corp.	5,072	113,655	233,058

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<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Pharmacopeia, Inc.	7,500	132,071	180,000
Philadelphia Suburban Corp.	10,000	143,894	255,000
Phil-Van Heusen	20,000	307,218	288,000
Phosphate Resrc	30,000	135,249	94,800
Photronics, Inc.	5,000	72,575	128,300
Pinnacle Hold	25,000	175,000	150,250
Pittston Brinks Group	35,000	757,303	780,150
Polyone Corp.	9,000	100,413	93,690
Precision Castparts Corp.	6,200	171,992	232,004
Prepaid Legal Services Inc.	20,000	262,971	440,000
Priceline.Com Inc.	7,000	485,063	63,350
Pride International Inc.	15,000	374,596	285,000
Profit Recovery	40,000	473,000	458,400
Protective Life	10,000	310,285	343,700
Protein Design	4,000	315,359	347,040
Public Storage	22,000	479,912	652,300
Quanta Services Inc.	15,000	344,648	330,600
Radian Group Inc.	8,600	221,015	347,870
Radiant Systems Inc.	20,000	391,626	322,400
Ramtron International Corp.	17,000	261,872	52,700
Rational Software Corp.	7,000	56,214	196,350
Red Hat Inc.	10,000	60,600	40,000
Regency Ctrs Corp.	25,000	503,550	635,000
Register Com. Inc.	7,000	142,338	108,430
Remedy Corp.	2,000	67,060	69,600
Respironics Inc.	8,000	166,625	238,080
Reynolds (RJ) Tobacco Holdings Inc.	10,000	197,531	546,000
Ross Stores, Inc.	8,000	132,351	191,600
Rowan Cos	17,000	481,006	375,700
RSA Security Inc.	10,000	437,484	309,500
Rus Berrie & Co., Inc	10,000	172,925	294,000
Ryerson Tull Inc.	5,000	112,750	67,450
S1 Corporation	2,316	75,074	32,424
Salem Communications	6,000	65,125	131,280
Samgamo Biosciences	6,000	95,340	87,840
Sangstat Medical Corp.	18,000	292,995	294,840
Sapient Corp.	10,000	128,500	97,500
Scholastic Corp.	20,000	518,655	842,000
Selective Insurance Group, Inc.	7,000	152,435	186,760
Sensient Technologies Corp.	15,000	260,094	307,800
Sharper Image Corp.	40,000	509,500	418,800
Shurgard Stor A	6,000	152,696	187,500
Sierra Health Services, Inc.	4,500	78,900	31,500
Sierra Pacific Resources	22,000	401,700	351,780
Silicon Storage	15,000	196,563	151,950
Sirius Satellite Radio Inc.	20,000	691,625	243,800
SLI Inc.	17,000	338,382	140,250

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Snap-On Inc.	15,000	396,525	362,400
Solutia Inc.	30,000	396,276	382,500
Sonicblue Inc.	5,000	47,813	16,500
Southwest Gas Corp.	20,000	396,913	473,600
Spectrian Corp.	5,000	91,155	80,000
Speedway Motorsports Inc.	8,500	217,050	214,285
Spherion Corp.	10,000	191,150	89,500
Spieker Prop	10,000	559,875	599,500
Springs Industries Inc.	3,000	147,088	132,300
SPX Corp.	3,600	232,195	450,648
Standard Register Co.	7,000	150,725	129,500
Stride Rite Corp.	12,000	145,850	102,000
Structural Dynamics Research Corp.	10,000	211,339	245,000
Superior Telecommunications Inc.	4,666	97,525	13,158
Sylvan Learning System Inc.	7,500	158,579	182,250
Symantec Corp.	6,000	78,930	262,140
Symbol Technologies Inc.	3,750	68,915	83,250
Synaptic Pharmaceuticals	10,000	83,625	65,500
Systems & Computer Tech. Corp.	12,000	164,120	108,600
Take Two Interactive Software	5,000	84,220	92,750
Tasty Baking Co.	20,000	250,122	352,200
TCF Financial Corp.	25,000	662,431	1,157,750
Teleflex Inc.	8,000	276,713	352,000
Terayon Communications Systems Inc.	7,000	292,688	42,840
Terex Corp.	30,000	609,750	636,000
Texas Industries, Inc.	10,000	320,974	343,900
Thermo Electron Corp.	2,250	88,438	49,545
Timberland Co.	5,000	325,200	197,550
Timken Co.	5,000	90,875	84,700
Toll Brothers, Inc.	7,000	182,651	275,170
Tollgrade Communications, Inc.	8,000	265,376	228,000
Tommy Hilfiger	10,000	153,100	140,000
Toro Company	5,000	154,000	224,750
Transkaryotic Therapies Inc.	20,000	881,280	589,000
Triangle Pharmaceuticals	25,000	299,791	117,000
Triquint Semiconductor Inc.	15,000	736,200	337,500
Tyco Intl Ltd New	9,384	274,813	511,522
Ultratech Stepper Inc.	5,000	92,500	128,250
United Parcel Service Inc.	4,800	266,590	277,440
Universal Health Services	20,000	433,783	910,000
Univision Communications	10,000	169,134	427,800
Urban Outfitters, Inc.	10,000	112,308	107,400
USX-US Steel Group	10,000	208,205	201,500
Valero Energy	15,000	657,428	551,700
Value City Department Stores Inc.	10,000	101,625	115,000
Valueclick Inc.	50,000	149,110	160,000
Verity Inc.	2,000	104,250	39,900

STATE OF NEW JERSEY
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Portfolio of Investment Securities

June 30, 2001

<u>Description</u>	<u>Par Value or Number of Units</u>	<u>Cost</u>	<u>Fair Value</u>
Common Stocks (continued):			
Vertex Pharmaceuticals, Inc.	10,000	275,213	495,000
VI Technologies	18,000	120,625	202,500
Viasat Inc.	18,000	478,100	429,840
Vical Inc.	10,000	192,810	139,800
Vicor Corp.	16,000	401,938	260,800
Vishay Intertec	25,000	875,625	575,000
Visual Networks	17,000	373,813	148,750
Wackenhut Corrections Corp.	4,500	76,851	58,950
Wallace Computer Services	10,000	116,881	165,400
Washington Federal, Inc.	3,993	77,340	97,908
Waste Holdings Inc.	17,500	348,900	133,000
Webb Del	8,000	210,726	309,520
Webmd Corp.	45,000	401,562	315,000
Werner Enterprises Inc.	14,250	264,311	345,563
Westwood One, Inc.	10,000	101,780	368,500
Winnebago Industries Inc.	15,000	254,088	461,250
Wit Soundview Group Inc.	15,500	218,469	28,365
Worldgate Comm. Inc.	7,000	214,500	35,700
WPS Resources Corp.	5,000	161,688	176,250
XO Communications Inc.	13,382	162,635	25,694
York Intl.	4,000	110,700	140,080
Zale Corp.	5,000	186,250	168,500
Zoran Corp.	10,000	<u>239,353</u>	<u>297,200</u>
Total Common Stocks		<u>113,671,548</u>	<u>116,636,815</u>
State of New Jersey Cash Management Fund	5,555,359	<u>5,555,359</u>	<u>5,557,562</u>
Total Small Cap Equity Fund		<u>119,226,907</u>	<u>122,194,377</u>
Money Market Fund			
State of New Jersey Cash Management Fund	159,948,734	\$159,948,734	\$160,012,171
Operating Accounts			
Holding Account -			
State of New Jersey Cash Management Fund	9,441,818	\$ 9,441,818	\$ 9,445,563
Administrative Operating Account -			
State of New Jersey Cash Management Fund	773,595	<u>773,595</u>	<u>773,902</u>
Total Temporary Accounts		<u>10,215,413</u>	<u>10,219,465</u>
Total Investments		<u>\$ 819,252,710</u>	<u>\$1,102,627,153</u>