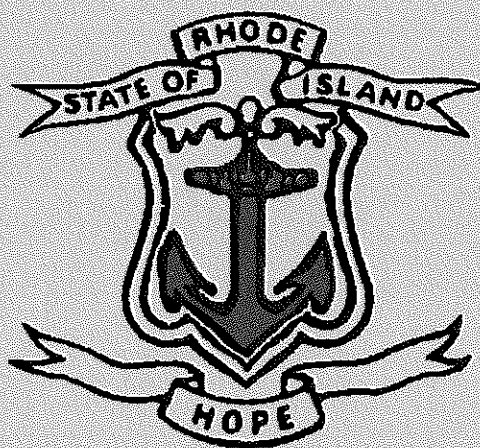
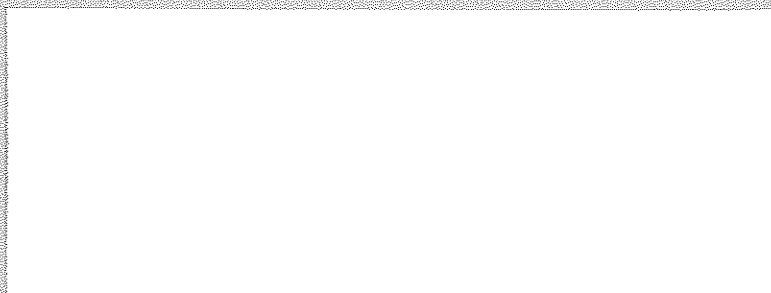


State of Rhode Island and Providence Plantations



Office of the General Treasurer

Paul J. Tanares
General Treasurer

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

**DATA AT
AUGUST 31, 2002**

STEPHEN F. IAFRATE

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Paul J. Tavares, Chair

**J. Michael Costello
Rosemary Booth Gallogly
Marcia Reback
William J. Whitty**

**Sen. Daniel DaPonte
Dr. Robert J. McKenna
James E. Thorsen**



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Paul J. Tavares
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, September 25, 2002 at 9:00 a.m. in Room 135 of the State House.

AGENDA

1. Membership Roll Call ✓
2. Approval of Minutes ✓
 - State Investment Commission Meeting held on 8/28/02 *
3. Proposed Alternative Investments *
 - Lumina Ventures, L.P. ✓
 - Wellspring Capital Partners III ✓
4. Pacific Corporate Group – Private Equity Portfolio Review and Recommended Allocations * ✓
5. Legal Counsel Report X
6. General Consultant's Report – Wilshire Associates Incorporated ✓
 - Capital Market Update
7. Deputy Treasurer for Finance Report
8. Treasurer's Report
9. New Business

* Commission members will be asked to vote on this item.

**State of Rhode Island and Providence Plantations
STATE INVESTMENT COMMISSION**

Minutes of the Regular Meeting August 28, 2002

A State Investment Commission meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, August 28, 2002. There being a quorum present, the Treasurer called the meeting to order at 9:05 a.m.

Membership Roll Call. Present were: Mr. J. Michael Costello, Senator Daniel DaPonte, Dr. Robert J. McKenna, Ms. Marcia Reback, Mr. James E. Thorsen, Mr. William J. Whitty and General Treasurer Paul J. Tavares. Also present were: Ms. Joan M. Caine, Deputy Treasurer for Finance, Andrew M. Hodgkin, Esq., Legal Counsel to the Commission, Mr. William G. Bensur, Jr., of Wilshire Associates Incorporated, Consultant to the Commission, and other members of the Treasurer's Staff. Ms. Rosemary Booth Gallogly was absent.

State Investment Commission Minutes. Ms. Reback moved, Dr. McKenna seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Dr. McKenna, Ms. Reback, Mr. Thorsen, Mr. Whitty and Treasurer Tavares.

VOTED: To approve the Minutes of the June 26, 2002 Regular Meeting.

Investment Manager Review - Fleet Investment Advisors. Mr. Bensur gave a brief overview of Fleet Investment Advisors. He noted that Fleet was retained in 1983 to provide a long-term, strategic exposure to the core-oriented segment of the fixed income market. As of 6/30/02, the Fleet portfolio represented approximately 32.1% of the fixed income composite and approximately 9.2% of the total fund. Market value as of 6/30/02 was approximately \$500.8 million.

Mr. Roger N. Begin, Vice President introduced Ms. Mary M. McGoldrick, Senior Vice President, Ms. Marie M. Schofield, Senior Vice President and Mr. Mark A. Marinella, Executive Vice President and Managing Director who represented Fleet Investment Advisors. He noted Ms. Schofield partners with Ms. McGoldrick in managing the portfolio. Ms. Schofield noted that Fleet has over \$4 billion in institutional assets under management and seeks to capitalize on opportunities provided by changing interest rates, the changing shape of the yield curve and the changing yield relationships between sectors.

The team uses a comprehensive top-down and bottom-up investment management process. She explained that historically, real yields have been an accurate gauge of relative value in the government bond market and have offered a good value above a 3.50% hurdle rate. When real rates are high, they extend duration and shorten duration when real rates are low.

Ms. McGoldrick noted that corporates were only 2% of the portfolio three years ago, but the team was gradually increasing that percentage. Bond markets have outperformed stock/equity markets for the past three years. She stated that the 2nd quarter of 2002 was very rewarding for bond investors, as accounting scandals and an overall decline in confidence moved many investors into bonds. Treasuries were once again a beneficiary of the flight to quality, with indications that Fed policy would likely remain on hold for much of this year. Ms. Schofield reviewed the portfolio characteristics.

The portfolio returned 4.94% versus the benchmark's (Lehman Government/Credit Index) 4.50% for calendar year-to-date. Since inception the portfolio has returned 6.96%, 52 basis points behind the benchmark's 7.48%.

Investment Manager Review – Fidelity Management Trust Co. Mr. Bensur gave a brief overview of Fidelity which was retained in 1989 to provide a long-term, strategic allocation to the mortgage-oriented sector of the fixed income market. As of 6/30/02, the Fidelity portfolio represented 26% of the fixed income composite and approximately 7.5% of the total fund. Market value as of 6/30/02 was approximately \$405.4 million.

Mr. Arthur Greenwood, Senior Vice President and Mr. Thomas J. Silvia, Portfolio Manager represented Fidelity. Mr. Greenwood noted that Fidelity has outperformed its benchmark since inception. Mr. Silvia stated that economic weakness and a significant flight to quality have pushed Treasury yields to record lows. The yield curve remains steep, as the market anticipates future Fed increases in 2003. Mortgage yield spreads remain wide reflecting the greater prepayment risk in the market. He noted that falling interest rates have spurred refinancing activity.

Contributing to performance since 6/30/01 is the out-of-benchmark exposure to securitized sectors and GNMA overweight versus FNMA/FHLMC. Detracting from performance since 6/30/01 was the outperformance of 15-years over 30-years on a duration-adjusted basis. Ms. Silvia stated that Fidelity's current investment strategy is to continue the overweight of 30-years MBS versus 15-year MBS due to yield advantage. Fidelity continues to prefer GNMA's as they exhibited a more consistent prepayment pattern and they will focus on opportunities in the non-Agency residential sector. This is a less efficient sector that does not have the adverse selection of the Agency pass-through market.

Mr. Costello noted that while Fleet and Fidelity have different benchmarks, he believes they should have the same hurdle rate. Mr. Bensur agreed to review universe returns for comparable investment products and provide the Commission with a recommendation at the next meeting.

Corporate Governance. The Treasurer stated that the recent corporate accounting scandals have had a dramatic impact on the marketplace and regulatory agencies, etc. In order to address the fiduciary responsibilities of the Commission, he formed a working group comprised of Ms. Caine, Mr. Garry Bliss, Ms. Stephanie Sheehan, Mr. Hodgkin and Mr. Bensur to analyze our policies and procedures and to make recommendations to the Commission to insure due diligence. He noted that the Treasurer's Office is a member of the Council of Institutional Investors and the National Association of State Treasurers, which both take an active role in protecting pension plan assets and is recognized as a significant voice for institutional shareholder interests. The Treasurer has requested that the National Association of State Treasurers ("NAST") address the question of potential combined action at its next meeting.

The Treasurer proposed sending a letter to all investment managers urging them to evaluate proxy votes on a case-by-case basis, taking into consideration company performance, industry best practices, and the long-term impact of proposals on shareholder value. Included in this letter would be several proposed new proxy voting guidelines and the letter would ask for their review and comments on the proposals. He noted we had asked for and received updated copies of Proxy Voting Policies from all of our investment managers.

Ms. Reback moved, Dr. McKenna seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Dr. McKenna, Ms. Reback, Mr. Thorsen, Mr. Whitty and Treasurer Tavares.

VOTED: To authorize the Treasurer to send the letter to investment managers regarding Proxy Voting Guidelines for Investment Managers.

Proposed Alternative Investment – AFL-CIO Housing Investment Trust. The Treasurer stated that the proposed alternative investment in the AFL-CIO HIT does not neatly fit into the pension fund's target asset allocation. However, in light of the HIT's historical strong performance, he wanted to give Commission members the opportunity to review and consider this investment opportunity.

Mr. Mike Arnold, Senior Executive Vice President, Mr. Patton Rourke, Executive Vice President and Ms. Leslie White, Regional Marketing Director represented the AFL-CIO Housing Investment Trust (the "Trust"). Mr. Arnold stated that the investment objective of the Trust is to generate competitive risk-adjusted total rates of return by investing in fixed-income investments, consisting primarily of multi-family and single family mortgage-backed securities and to encourage the construction of housing to facilitate employment in the construction trades and related industries.

Mr. Arnold noted that the Trust was created in 1965 and is a commingled fund with over 400 investors, including both Taft-Hartley and public pension funds. In the last ten years the fund has grown from \$603.2 million to \$2.96 billion. The Trust is sponsored by the AFL-CIO but acts as a registered investment company regulated by the US Securities and Exchange Commission. For nine consecutive years the fund has outperformed the Lehman Brothers Aggregate Bond Index which is the benchmark used to do comparative analysis.

Mr. Rourke noted that the Trust specializes in niche sectors of the fixed income market where significant value benefits exist. The Trust invests in construction-related mortgage-backed securities that are insured/guaranteed by FHA, GNMA and FNMA. It has unique institutional capacity and expertise in federal housing programs, real estate law, finance, accounting, and capital markets. It also negotiates structured financial transactions directly with mortgage bankers and housing developers throughout the US.

Mr. Rourke noted that 98% of the Trust portfolio consists of Treasury/Agency quality versus 70% of the Lehman Aggregate. The overall risk is reduced by overweighting in multi-family securities that provide superior call protection for up to ten years from issuance. He stated that as of 6/30/02, returns are 5.97%, 74 basis points over the benchmark.

Treasurer Tavares recommended making a \$15 million investment in the AFL-CIO Housing Investment Trust gaining an entrance into the real estate market.

After a discussion of the investment, Mr. Thorsen stated he would like to postpone voting on this investment until after Wilshire completes the Asset Liability study and recommends target asset class allocations. This report is expected to be completed by the October or November, 2002 meeting.

Dr. McKenna moved, Mr. Thorsen seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Dr. McKenna, Ms. Reback, Mr. Thorsen, Mr. Whitty and Treasurer Tavares.

VOTED: To postpone a vote on the proposed investment in the AFL-CIO Housing Investment Trust until after Wilshire Associates Incorporated gives their Asset Allocation Report in October or November, 2002.

Note: Mr. Thorsen excused himself from the discussion and/or vote regarding the Custody Contract Extension with State Street Bank and Trust Company and left the meeting at 11:25 a.m.

Custody Contract Extension. Ms. Caine reminded Commission members that State Street Bank and Trust Company was re-retained as our custodial bank through an RFP process two years ago. Since that time the performance of the custody team and the products and services provided have been greatly enhanced. In addition, State Street provides several premium products at no cost to the state and the fees have come down by over a \$1 million a year. She recommended extending the contract for one year.

Mr. Costello moved, Dr. McKenna seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Dr. McKenna, Ms. Reback, Mr. Whitty and Treasurer Tavares. Mr. Thorsen was not present for this vote.

VOTED: To extend the Custodial Contract with State Street Bank and Trust Company for a period of one year.

Note: Mr. Thorsen re-joined the meeting at 11:35 a.m.

Consultant Report - Wilshire Associates Incorporated. Mr. Bensur gave his Capital Market Update noting the Fed Funds Rate at 1.75% is unchanged so far in 2002. He noted the Lehman Aggregate is up 6.5% year-to-date and the broad US equity markets are down approximately 15%. Small cap stocks have outperformed large cap stocks and value stocks have continued to outperform growth stocks.

Deputy Treasurer for Finance Report. Ms. Caine noted that the fund was down 10.8% for the calendar year which is slightly ahead of the benchmark. Loomis Sayles & Co. has been terminated and had contributed greatly to poor performance. Mr. Bensur noted Provident Investment Counsel is making a recovery and continues to be monitored closely.

Ms. Caine reported that the high yield bond manager transition has taken longer than expected due to the volatility in the market. Both Shenkman Capital and MacKay Shields are building their portfolios with she expects a target date for inception of October 1, 2002.

Ms. Caine distributed an Alternative Investment Program forecast for consideration. She reminded Commission members that since September 11, 2001 the marketing efforts of private equity funds dramatically slowed down. A \$15 million investment in Collier International Partners is the only Alternative Investment made in 2002. She noted that Pacific Corporate Group will be recommending two new investments at the September meeting: Wellspring Capital Partners III and Lumina Ventures; Green Equity and Landmark Equity Partners XI at the October meeting; and Avenue Special Situations III and one to be announced at the November meeting.

New Business – 457 – Deferred Compensation Plan. Mr. Thorsen reported that some states have started to provide advice to participants of the 457 Plan. He expressed concerns that as a Trustee is one liable for either providing advice or not providing advice to Plan participants. He noted that we do not now currently provide advice and wondered if we should. It is not a market standard yet but there is some concern in the marketplace that it could become a standard to provide advice and what is the level of that advice, how is it delivered and should we be providing advice. A participant could sue the state or the trustees for not having received advice. What is the fiduciary responsibility of the Commission?

Mr. Thorsen reported that the Director of the Ohio Deferred Compensation Plan stated that the Ohio Attorney General advised that they would be no more and no less liable for providing advice which was a good thing. The Treasurer noted that the Deferred Compensation Program falls under the umbrella of the Department of Administration as a human resource function not under the General Treasurer's Office. The Treasurer had previously expressed his concern regarding this to the Director of Administration, and suggested a consultant might be in order and questioned who would pay for it.

Ms. Caine noted that it made more sense to provide participants with educational tools regarding investments in the 457 Plan rather than advice. She noted several websites such as Financial Engines, Morningstar, and MPower that are available to plan participants, most of which do cost the participant on average between \$10-\$15. In addition there are set-up fees that range between \$2,500 - \$80,000.

Ms. Caine reported that she has been in discussions with Fidelity to provide their on-line investment tool, "Fidelity Portfolio Planner", to Rhode Island's 457 participants and that they have agreed to provide this to the state at no charge. She indicated that she would work with Jeanne Peloquin, the State's Director of Employee Benefits, on launching this product for plan participants. The Treasurer noted that the Commission was responsible for the investment of the funds in the Plan, but had no money for the educational portion. He recommended reiterating his concerns in writing to both the Director of Administration and the Governor.

New Business – Change in January, 2003 Meeting Date. Ms. Caine reported that Wilshire Associates has requested to move the January, 2003 meeting date from the fourth Wednesday (January 22, 2003) to the fifth Wednesday (January 29, 2003). She asked Commission members to report back to her as to their availability.

Ms. Reback moved, Mr. Whitty seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Dr. McKenna, Ms. Reback, Mr. Thorsen, Mr. Whitty and Treasurer Tavares.

VOTED: To adjourn the meeting.

There being no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,

Paul J. Tavares
General Treasurer

RHODE ISLAND STATE INVESTMENT COMMISSION
STAFF SUMMARY ANALYSIS
PORTFOLIO HIGHLIGHTS
August 31, 2002

PORTFOLIO PERFORMANCE

August

The ERSRI portfolio posted a gain of +0.71% for the month of August, against the Policy Index of +0.78%. Domestic equities were up by +0.71%, international equities were down by -0.15%, while the fixed income asset class was up by +1.64%. Additionally, the retirement fund earned \$128,361 from the securities lending program during the month of August.

Calendar Year-to-Date

On a calendar year basis, the portfolio is down -10.19% against the Policy Index of -10.27%. Domestic equities lost -18.45%, international equities were down -12.20%, and fixed income gained 3.79%.

Fiscal Year-to-Date

For two months ended August 31st, 2002, the fund has lost -5.22%, against the fiscal year policy index of -5.12%.

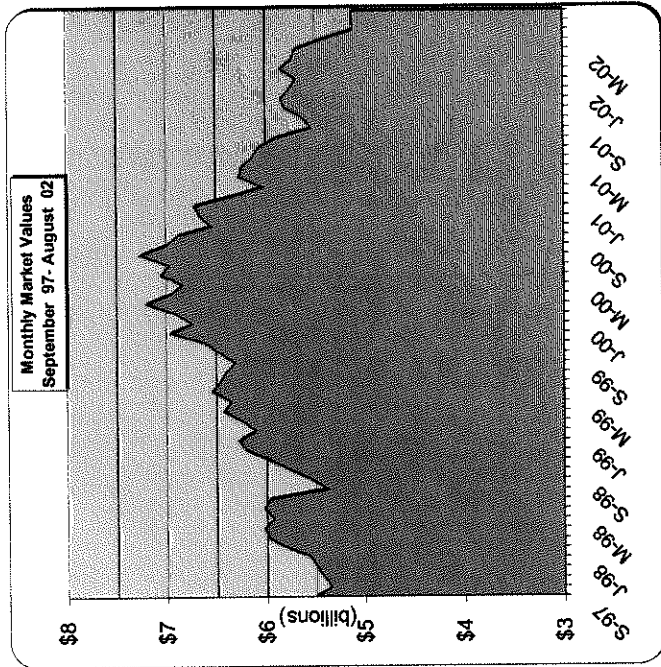
Index Performance Summary - August 2002		
Market Indices	Aug-02	Calendar YTD
Domestic Equity		
S & P 500	0.65%	-19.41%
Wilshire 5000	0.59%	-18.41%
Russell 2000	-0.26%	-19.30%
Russell 2500	0.30%	-16.28%
Russell 1000	0.52%	-18.85%
Policy Index	0.78%	-10.27%
International Equity		
MSCI ACWI	0.01%	-10.68%
Fixed Income		
Lehman AGG	1.69%	6.83%
Real Estate		
Wilshire RE Sec Ind	0.04%	6.11%

ERSRI Performance By Asset Class	Aug-02	Calendar YTD
Domestic Equity	0.71%	-18.45%
Fixed Income	1.64%	3.79%
International Equity	-0.15%	-12.20%
Total Fund Composite*	0.71%	-10.19%
Manager Summary		
	Aug-02	CYTD
DOMESTIC EQUITY		
Shott Capital Mgmt	4.82%	-32.35%
Columbia Mgmt	2.57%	N/A
NorthPointe Capital	1.57%	N/A
PIMCO	1.18%	-19.21%
Wellington Mgmt	1.08%	N/A
SSgA Russell Value	0.75%	-13.07%
SSgA Wilshire 5000	0.63%	-18.78%
JP Morgan	0.49%	-20.78%
SSgA Core	0.40%	-11.83%
Provident	-0.65%	-24.43%
Wasatch Advisors	-0.78%	N/A
Total Domestic Equity	0.71%	-18.45%
FIXED INCOME		
Taplan Canada & Habacht	3.64%	0.27%
Brown Bros. Harriman	2.16%	7.24%
Fleet Investment Advisors	2.06%	7.16%
Fidelity	0.77%	6.95%
In-State Fixed Income	0.56%	4.47%
Total Fixed Income	1.64%	3.79%
INTERNATIONAL EQUITY		
Puナム Investments	0.39%	-11.50%
Bank of Ireland	-0.69%	-12.94%
Total International Equity	-0.15%	-12.20%

*Total Fund Composite includes all classes

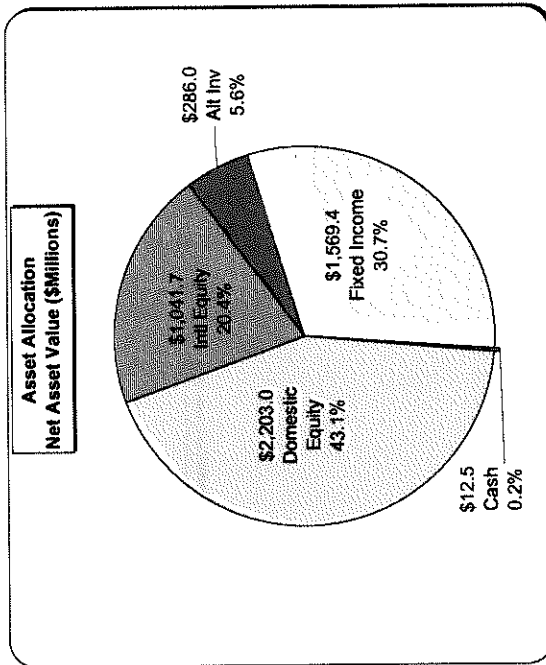
Market Values

The total portfolio value increased in August by \$14 million, including transfers, to \$5.112 billion. This compares with a decrease in value of \$180 million for the same period in 2001. The domestic equity market values increased by \$15 million during the month of August; fixed income increased by \$16 million, including transfers, while international equity values were down by \$2 million. Alternative investments decreased in value by \$3 million, while the cash accounts were down by \$13 million.



Asset Allocation

The domestic equities portfolio is under-allocated by 1.9%. The fixed income portfolio is over-allocated by 3.2%. The international equity portfolio remains over-allocated by 0.4%, while the alternative investment assets are under-allocated by 1.9%.



*Employees' Retirement Systems of Rhode Island
Summary of Transfers by Asset Class
August 31, 2002*

Manager Funding

A summary of cash transfers by asset class which took place during August is presented at right. Such transfers are required to provide sufficient cash for alternative investment funding as well as to meet current retirement payroll obligations (\$21.5 MM).

Cash Flow

August's pension payroll of \$40.1 million exceeded the \$21.7 million in contributions received by \$18.4 million. To meet this shortfall and other obligations, \$21.5 million was transferred from long term investments.

Alternative Investments

At this time the alternative investment asset class has unfunded commitments of approximately \$263.6 million, on commitments of \$561 million.

**CAPITAL CALLS
Net of Contributions**

AUGUST 2002	FYTD	UNFUNDED BALANCE
\$908,809	\$6,597,017	\$263,642,431
AUGUST 2001	FYTD	UNFUNDED BALANCE
\$1,846,302	\$4,658,271	\$239,487,557

Asset Class	Cash In	Cash Out
Domestic Equities	410,670	206,534
Int'l Equities	183,365	595,767
Fixed Income	48,744,391	57,888,279
Real Estate	0	0
Alternative Investments	17	1,085,163
Cash outside Trust	9,144,689	21,500,000
Cash in Trust	906,299	1,085,163
TOTAL	59,389,431	82,360,906

Expenses

Expenses accrued during August totalled \$218,551 was comprised of private equity and other professional management fees.

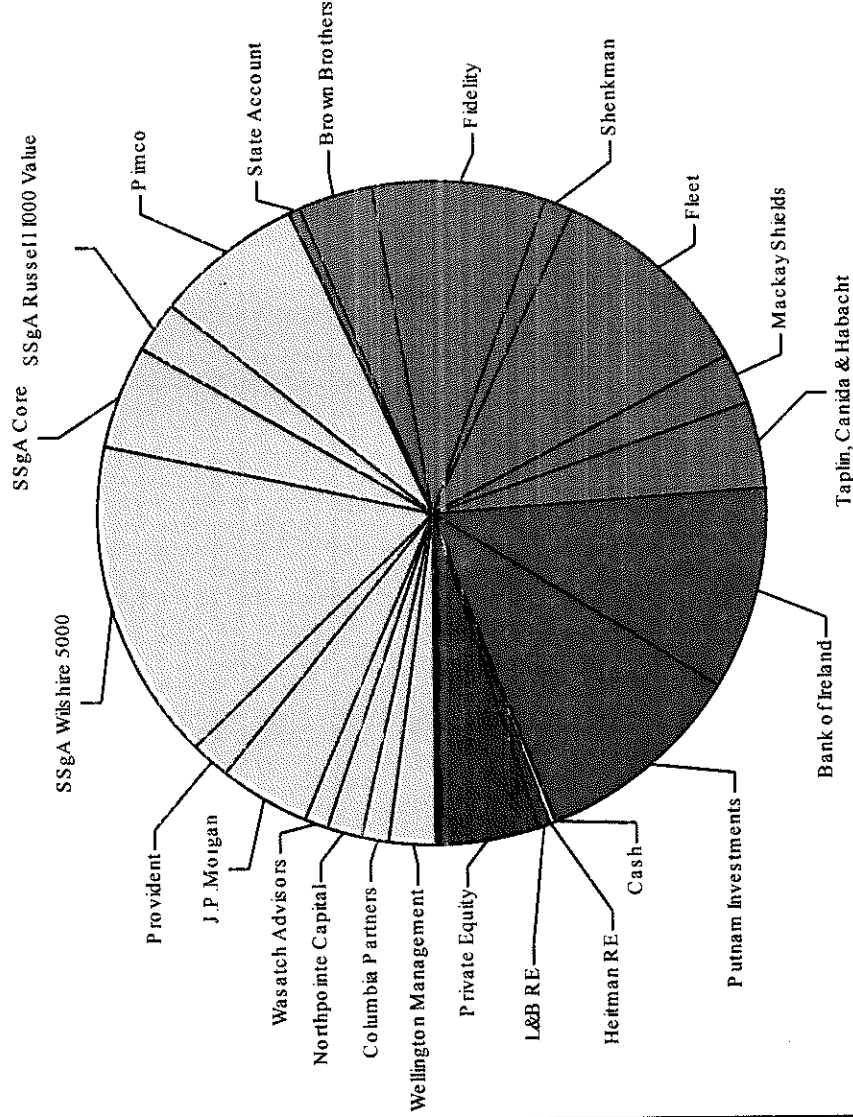
Short Term Cash

The short term cash portfolio had a 39.6 day weighted average maturity vs 5.0 days in July, and 7.8 days in August of 2001. The substantial increase is due primarily to the FY 03 tobacco funds being invested thru July of next year. Investments at August 31st totalled \$335.8 million. Interest earned during the month was \$176,729 of which \$15,038 was credited to the retirement accounts. The average investment rate of 1.71% was 7 basis points above the average 30 day treasury rate.

Individual Manager Allocation

August 31, 2002

\$ 5,113MM



U.S. Equity
 Fixed Income
 Non-U.S. Equity
 Alternative Investments
 Cash Equivalents

Portfolio	\$MM	Allocation
Columbia Partners	61	1.2
Northpointe Capital	84	1.7
J.P. Morgan	227	4.4
PIMCO	372	7.3
Provident Investment	96	1.9
Shott Capital	1	0.0
SSgA Core	253	5.0
SSgA Russell 1000 Value	122	2.4
SSgA Wilshire 5000	807	15.8
Wasatch Advisors	60	1.2
Wellington Management	119	2.3
U.S. Equity	2,203	43.1
Brown Bros. Harriman	\$ 195	3.8
Fidelity Mgmt. Trust	414	8.1
Fleet Investment	520	10.2
Loomis Sayles	1	0.0
Mackay Shields	127	2.5
Sherkman Capital	80	1.6
State Account	23	0.4
Taplin, Canida & Habacht	212	4.1
Fixed Income	1,569	30.7
Bank of Ireland	\$ 515	10.1
Putnam Investments	527	10.3
International Equity	1,042	20.4
Heitman Real Estate	\$ 3	0.1
L&B Real Estate	19	0.4
Private Equity	263	5.1
Contingency Reserve	1	0.0
Alternative Invest.	286	5.6
Cash Account (inside)	\$ 11	0.2
Cash Account (outside)	1	0.0
Cash Equivalents	15	0.2
Total	\$5,113	100.0

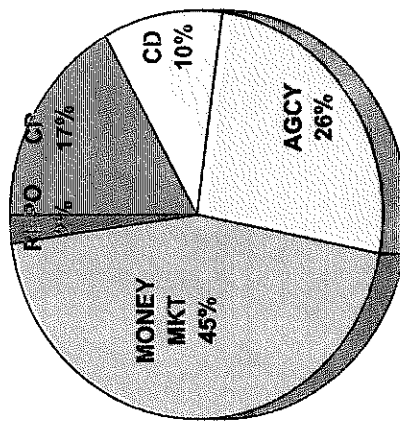
Market Environment
Quarter Ended August 31, 2002

	<u>QTR.</u>	<u>YTD</u>	<u>1 YR.</u>	<u>2 YRS.</u>	<u>3 YRS.</u>	<u>4 YRS.</u>	<u>5 YRS.</u>
U.S. EQUITY							
RUSSELL 1000	-13.79	-18.85	-17.47	-21.55	-9.57	0.75	1.80
RUSSELL 1000 GROWTH	-13.98	-24.91	-22.17	-34.77	-17.19	-4.20	-1.83
RUSSELL 1000 VALUE	-13.86	-12.98	-13.14	-7.32	-3.64	3.86	3.87
S&P 500	-13.80	-19.40	-17.99	-21.26	-10.32	0.21	1.74
WILSHIRE 5000	-14.03	-18.41	-16.55	-21.17	-9.32	0.88	1.23
INTERNATIONAL EQUITY							
MSCI AC WORLD FREE ex USA	-13.64	-10.69	-13.06	-19.41	-10.11	-1.48	-2.50
MSCI EAFE	-13.66	-11.54	-14.95	-19.79	-11.01	-2.99	-2.42
U.S. FIXED INCOME							
70% ML HY/30% FB CONV HY	-7.88	-5.18	-6.35	-3.16	-1.58	-0.06	0.62
LB AGGREGATE	3.82	6.83	8.11	10.22	9.32	7.12	7.80
SSBI BROAD INV GRADE	3.72	6.66	7.99	10.19	9.28	7.11	7.78
SSBI LARGE PENSION FUND	5.07	8.05	8.54	11.01	10.11		
SSBI LPF COLLATERALIZED	2.85	6.64	8.27	10.06	9.40		
TOTAL PLAN	-9.36	-10.19	-9.79	-13.34	-5.43	-1.79	1.62

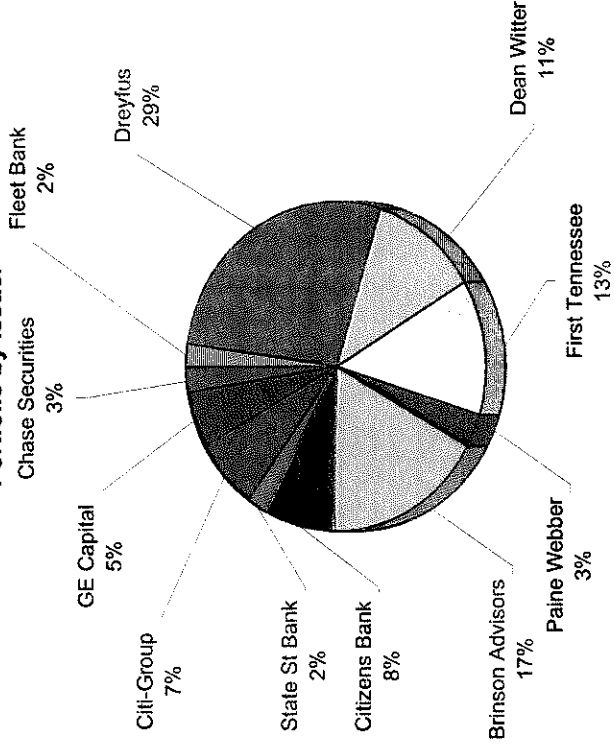
RHODE ISLAND STATE INVESTMENT COMMISSION

SHORT TERM CASH INVESTMENTS AT AUGUST 31, 2002

Portfolio By Instrument



Portfolio by Issuer



REPO	= Repurchase Agreement
CP	= Commercial Paper
CD	= Certificate of Deposit
ETD	= Euro Time Deposit
Agency	= US Government Agency

**State of Rhode Island
Office of the General Treasurer
Short-Term Investments**

**Issuer Credit Ratings
August, 2002**

Issuer	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook
	Moody's		Moody's	S&P	Moody's	S&P	S&P
FleetBoston	A1		P-1	A-1	A1	A	Stable
Chase Securities	Aa2		P-1	A-1+	Aa2	AA-	Negative
Citigroup Inc.	Aa1		P-1	A-1+	Aa1	AA-	Stable
Citizens Bank RI	Aa2		P-1	A-1+	Aa2	AA-	Stable
Dreyfus	Aa3		P-1	A-1+	Aa3	AA-	Stable
First Tennessee Capital Markets	A1		P-1	N/A	A1	A-	Stable
Ford Motor Credit	A3		P-2	A-2*	A3	BBB+	Negative
GE Capital	Aaa		P-1	A-1+	Aaa	AAA	Stable
Morgan Stanley Dean Witter	Aa3		P-1	A-1+	Aa3	AA-	Negative
Paine Webber	Aa1		P-1	A-1+	Aa2	AA+	Stable
Brinson Advisors	Aaa						
Slate Street Bank & Trust Company	Aa2		P-1	A-1+	Aa2	AA	Stable
SunTrust Equitable Securities	Aa2		P-1	A-1	Aa2	A+	Stable
Zions Bank	A2		P-1	A-2	A2	BBB	Stable

* On October 15, Standard and Poor revised downward to A-2 Ford Motor's Short-Term Credit Rating. Outlook now is stable. State has suspended short-term trading.

Ratings Definitions

Moody's Short-Term Debt Ratings:

P-1 - Prime-1 have a superior ability for repayment of sr. S-T debt obligations
P-2 - Prime-1 have a strong ability for repayment of sr. S-T debt obligations
P-3 - Prime-1 have an acceptable ability for repayment of sr. S-T debt obligations
NP - Not Prime

S&P Short-Term Credit Ratings:

A-1 - Highest rated, strong capacity to meet obligations
A-2 - Somewhat more susceptible to adverse effects of changes in financial conditions, satisfactory
A-3 - Exhibits adequate protection parameters
B - Significant speculative characteristics, faces major ongoing uncertainties
C - Vulnerable to non-payment
D - Payment default
Modifiers:
+ or - show relative standing within the category.

Moody's Issuer Rating Symbols:

Aaa - Offer exceptional financial security (high-grade)
Aa - Offer excellent financial security (high-grade)
A - Offer good financial security
Baa - Offer adequate financial security
Ba - Offer questionable financial security
B - Offer poor financial security
Caa - Offer very poor financial security
Ca - Offer extremely poor financial security
C - Lowest rated class, usually in default

Modifiers:

1 - Higher end of letter rating category
2 - Mid-range of letter rating category
3 - Lower end of letter rating category

S&P Outlook Definitions:

Positive - A rating may be raised
Negative - A rating may be lowered
Stable - A rating is not likely to change
Developing - May be raised or lowered
NM - Not meaningful

Moody's Long-Term Debt Ratings:

Aaa - Best Quality
Aa - High Quality
A - Possess many favorable investment attributes
Baa - Medium-grade obligations
Ba - Possess speculative elements
B - Generally lack characteristics of desirable investments
Caa - Poor standing
Ca - Speculative in a high degree
C - Lowest rated class of bonds

Modifiers:

1 - Higher end of letter rating category
2 - Mid-range of letter rating category
3 - Lower end of letter rating category

S&P Long-Term Debt Ratings:

AAA - Highest rating, extremely strong
AA - Differs slightly from highest rating, very strong
A - Somewhat more susceptible to adverse effects of change in economic condition, strong
BBB - Exhibits adequate protection parameters
BB, B, CCC, CC, C - Have significant speculative characteristics. BB least speculative, C highest degree.
D - Payment default
Modifiers:
+ or - show relative standing within the category.



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Paul J. Tavares
General Treasurer

September 19, 2002

State Investment Commission
Rhode Island State House
Providence, RI 02903

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on August 31, 2002.

**Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation
August 31, 2002**

Asset Class		
Cash/Short Term Investments		\$ 274,859,113
Equities – Domestic		\$ 2,183,212,579
Equities – International		\$ 1,025,138,645
Fixed Income – Government	\$ 641,259,990	
Fixed Income – Corporate	\$ 679,691,582	
Fixed Income – In State	\$ 22,534,739	
Total Fixed Income		\$ 1,343,486,312
Alternative Investments		\$ 285,461,949
Other – Escrow		\$ 500,000
Total Fund Investments		\$ 5,112,658,598
Plan Allocation		
State Employees & Teachers	86.69%	\$ 4,431,981,733
Municipal Employees	12.87%	\$ 658,105,357
State Police	0.27%	\$ 13,905,542
Judicial	0.17%	\$ 8,665,967
Total Fund Investments	100.00%	\$ 5,112,658,598

The amount listed for the alternative investments designation is illiquid and does not have a readily determinable market value. It is based on appraisals only.

Respectfully submitted,

Paul J. Tavares
General Treasurer

Monthly SIC Letter for Book.doc

ERSRI Monthly Market Value Report With Time Weighted Returns
August 31, 2002

	Performance		Calendar YTD Benchmark	Alpha	Benchmark Description	Performance		Valuation Change				
	Performance	Alpha				Current Month Benchmark	Alpha	Market Value 7/31/02	Transfers In(out)	Market Value 8/31/02	Increase/ (Decrease)	
												Net of Xfers
Domestic Equity												
Shott Capital Management IRR	-32.35%	N/A	N/A	N/A	S & P 500	4.82%	N/A	N/A	797,722	(206,534)	632,749	41,560
JP Morgan Investment Management	-20.78%	-16.85%	-1.93%	-1.93%	Russell 1000	0.49%	0.52%	-0.03%	225,645,271	32,955	226,772,880	1,094,654
Provident Investment Council	-24.43%	-24.91%	0.48%	0.48%	Russell 1000 Growth	-0.65%	0.30%	-0.95%	96,827,643	32,955	96,230,657	(629,941)
SSgA Core	-11.83%	-18.85%	7.02%	7.02%	Russell 1000	0.40%	0.52%	-0.12%	252,059,715	32,955	253,104,064	1,011,394
SSgA Russell Value	-13.07%	-12.98%	-0.09%	-0.09%	Russell 1000 Val.	0.75%	0.75%	0.00%	121,330,943	32,955	122,276,345	912,447
SSgA Wilshire 5000	-18.78%	-18.41%	-0.37%	-0.37%	Wilshire 5000	0.63%	0.59%	0.04%	801,819,237	150,410	806,999,689	5,030,042
PIMCO	-19.21%	-18.41%	0.20%	0.20%	S & P 500	1.18%	0.65%	0.53%	367,981,722	65,910	372,393,091	4,345,459
NorthPointe Capital	N/A	N/A	N/A	N/A	Russell 2000	1.57%	-0.26%	1.83%	83,117,648	16,055	84,435,550	1,301,847
Wellington Mgmt	N/A	N/A	N/A	N/A	Russell 2000	1.08%	-0.26%	1.34%	117,572,330	27,885	118,874,520	1,274,305
Wasatch Advisors	N/A	N/A	N/A	N/A	Russell 2000	-0.78%	-0.26%	-0.52%	60,309,906	9,295	59,846,284	(472,917)
Columbia Mgmt	N/A	N/A	N/A	N/A	Russell 2000 Growth	2.57%	-0.05%	2.62%	59,892,663	9,295	61,444,032	1,542,074
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-
Total Domestic Equity	-18.45%				N/A	0.71%			2,187,354,800	204,137	2,203,009,861	15,450,924
International Equity												
Bank of Ireland	-12.94%	-10.68%	-2.26%	-2.26%	M/S All Country EX US	-0.69%	0.01%	-0.70%	518,269,833	91,260	514,800,639	(3,560,454)
Putnam Investments	-11.50%	-10.68%	-0.82%	-0.82%	M/S All Country EX US	0.39%	0.01%	0.38%	524,495,352	92,105	526,625,056	2,037,599
Transition Account	N/A	N/A	N/A	N/A	M/S All Country EX US	0.00%	N/A	N/A	904,610	(695,766)	301,930	(6,914)
Total International Equity	-12.20%					-0.15%			1,043,669,795	(412,401)	1,041,727,625	(1,529,769)
Fixed Income												
Fleet Investment Advisors	7.10%	6.85%	0.31%	0.31%	Lehman Gov/Credit Bond Index	2.06%	2.21%	-0.18%	509,153,619	80,275	519,733,432	10,499,538
Fidelity Management & Research	6.85%	6.63%	0.32%	0.32%	Salomon Mortgage Index	0.77%	0.88%	-0.11%	410,733,426	61,685	413,951,926	3,156,815
Brown Brothers, Harriman	7.24%	6.68%	0.56%	0.56%	Salomon Brd Inv Grade	2.16%	1.75%	0.41%	190,460,825	31,265	194,604,801	4,112,711
In-State Fixed Income	4.47%	N/A	N/A	N/A	N/A	0.56%	N/A	N/A	22,553,172	(143,888)	22,534,739	125,455
Taplin, Cantida & Habacht	0.27%	5.22%	-4.95%	-4.95%	Lehman Credit Index	3.64%	2.59%	1.05%	213,177,785	(8,961,130)	211,646,915	7,430,260
Mackay Shields	N/A	N/A	N/A	N/A	CS First BoshYield	N/A	N/A	N/A	175,700,233	(48,582,104)	126,842,864	(275,465)
Shenkman Capital Mgmt	N/A	N/A	N/A	N/A	CS First BoshYield	N/A	N/A	N/A	30,638,720	48,620,874	79,549,090	289,396
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	682,690	(103,982)	575,249	(3,459)
Total Fixed Income	3.79%					1.64%			1,553,100,470	(8,986,906)	1,569,438,816	25,335,252
Alternative Investments												
Pacific Corporate Group	-0.25%	N/A	N/A	N/A	Private Equity	-1.46%	N/A	N/A	265,904,518	1,085,163	262,940,696	(4,048,985)
JMB/Hellman Advisory Group	4.31%	6.11%	-1.80%	-1.80%	Wilshire Real Estate Securities Index	0.00%	0.04%	-0.04%	3,040,942	-	3,040,942	(0)
L & P Real Estate Counsel	-7.02%	6.11%	-13.13%	-13.13%	Wilshire Real Estate Securities Index	2.31%	0.04%	2.27%	19,039,122	-	19,479,533	440,411
Bank Acquisition Contingency	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	500,000	-	500,000	-
Total Alternatives	-1.00%					-1.19%			288,484,582	1,085,163	285,961,171	(3,508,574)
Cash Accounts												
Cash in Trust	62.27%	N/A	N/A	N/A		1.94%	N/A	N/A	23,890,106	(12,534,975)	11,605,053	249,923
Internal Cash	1.22%	N/A	N/A	N/A		0.15%	N/A	N/A	1,499,757	-	916,071	(583,686)
Total Cash	N/A					N/A			25,389,863	(12,534,975)	12,521,124	(333,763)
Fund Grand Total	-10.19%					0.71%			5,097,999,510	(20,654,983)	5,112,658,598	35,314,070

*Policy Index:
52.5% Wilshire 5000
27.5% Lehman Aggregate
20.0% MSCI ACWI X-US

**STATE OF RHODE ISLAND
SUMMARY OF MANAGER PERFORMANCE
RATES OF RETURN
Periods Ending August 31, 2002**

	MKT VAL	% OF FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
U.S. EQUITY												
COLUMBIA PARTNERS	61,444	1.20	2.57	-16.84	-22.18	-20.78	-10.74	-20.29	-21.76	-12.45		
J.P. MORGAN	226,773	4.44	0.49	-14.38	-17.42		-7.09					
NORTHPOINTE CAPITAL	84,436	1.65	1.57	-15.47	-15.31		-12.25					
PIMCO	372,393	7.28	1.18	-14.25	-16.96	-19.21	-6.72	-18.22	-42.08	-23.67	-14.04	-6.06
PROVIDENT INVESTMENT	96,231	1.88	-0.65	-16.87	-21.37	-24.43	-9.91	-20.58	-47.60	-11.48		
SHOTT CAPITAL	633	0.01	5.70	-1.90	-31.64	-37.26	-2.22	-45.09	-17.80	-7.83		
SSGA - CORE	253,104	4.95	0.40	-11.31	-11.04	-11.83	-5.71	-10.11	-7.33			
SSGA RUSSELL 1000 VALUE	122,276	2.39	0.75	-13.91	-12.51	-13.07	-8.58	-13.19				
SSGA WILSHIRE 5000	807,000	15.78	0.63	-14.12	-15.75	-18.78	-7.62	-16.95				
SSGA TRANSITION ACCOUNT	4	0.00										
WASATCH ADVISORS	59,846	1.17	-0.78	-20.47	-20.37		-14.91					
WELLINGTON MANAGEMENT CO. LLC	118,875	2.33	1.08	-19.78	-27.24		-12.34					
TOTAL US EQUITY	2,203,013	43.09	0.71	-14.60	-15.86	-18.45	-8.11	-16.90	-22.96	-12.86	-6.32	-0.62
RUSSELL 1000												
RUSSELL 1000 GROWTH			0.52	-13.79	-16.13	-18.85	-6.92	-17.47	-21.55	-9.57	0.75	1.80
RUSSELL 1000 VALUE			0.30	-13.98	-20.25	-24.91	-5.22	-22.17	-34.77	-17.19	-4.20	-1.83
S&P 500			0.76	-13.86	-12.44	-12.98	-8.61	-13.14	-7.32	-3.64	3.86	3.87
WILSHIRE 5000			0.66	-13.80	-16.60	-19.40	-7.19	-17.99	-21.26	-10.32	0.21	1.74
			0.59	-14.03	-15.65	-18.41	-7.53	-16.55	-21.17	-9.32	0.88	1.23
INTERNATIONAL EQUITY												
BANK OF IRELAND	514,801	10.07	-0.69	-13.49	-7.94	-12.94	-10.47	-14.85				
PUTNAM INVESTMENTS	526,625	10.30	0.39	-14.30	-9.29	-11.50	-10.00	-13.25				
BARING ASSET MANAGEMENT	4	0.00										
SCHRODER CAPITAL MANAGEMENT	202	0.00										
SCUDDER KEMPER INVESTMENTS	92	0.00										
TOTAL INTERNATIONAL EQUITY	1,041,724	20.38	-0.15	-13.89	-8.61	-12.20	-10.23	-13.47	-20.00	-9.02	-5.08	-4.34
MSCI AC WORLD FREE ex US (GROSS)												
MSCI EAFE (NET)			0.01	-13.64	-7.36	-10.69	-9.74	-13.06	-19.41	-10.11	-1.48	-2.50
			-0.23	-13.66	-7.22	-11.54	-10.08	-14.95	-19.79	-11.01	-2.99	-2.42
U.S. FIXED INCOME												
BROWN BROTHERS HARRIMEN	194,605	3.81	2.16	4.34	5.71	7.24	3.44	8.48	11.04	9.45	7.96	7.68
FIDELITY MANAGEMENT TRUST	413,952	8.10	0.77	3.25	4.90	6.95	2.08	9.03	10.27	9.55	8.07	8.27
FLEET INVESTMENT	519,733	10.17	2.06	4.73	5.49	7.16	3.76	8.13	9.47	9.07	7.36	8.51
LOOMIS SAYLES	575	0.01										
STATE ACCOUNT	22,535	0.44	0.56	1.67	3.31	4.47	1.10	6.85	6.94			

**STATE OF RHODE ISLAND
SUMMARY OF MANAGER PERFORMANCE
RATES OF RETURN
Periods Ending August 31, 2002**

	MKT VAL	% OF FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
U.S. FIXED INCOME												
TAPLIN, CANIDA & HABACHT	211,647	4.14	3.64	-0.11	-0.53	0.27	2.28	1.78	7.27	6.68	5.76	7.04
TRANSITION ACCOUNT	206,392	4.04										
TOTAL US FIXED INCOME	1,569,439	30.70	1.64	1.55	2.91	3.79	2.20	4.37	6.73	7.09	6.06	7.09
70% MERRILL LYNCH HY/30% FB CONV HY												
LB AGGREGATE			1.91	-9.35	-6.81	-8.27	-2.84	-8.97	-6.62	-0.90		
SSBI BROAD INV GRADE			1.69	3.82	4.96	6.83	2.92	8.11	10.22	9.32	7.12	7.80
SSBI LARGE PENSION FUND			1.75	3.72	4.82	6.66	2.96	7.99	10.19	9.28	7.11	7.78
SSBI LPF COLLATERALIZED			2.99	5.07	5.74	8.05	4.31	8.54	11.01	10.11		
			0.89	2.85	4.47	6.64	2.03	8.27	10.06	9.40		
ALTERNATIVE INVESTMENTS												
HEITMAN REAL ESTATE	3,041	0.06	0.00	-0.00	4.01	4.31	-0.00	6.75	3.10	9.65	9.41	9.60
L&B REAL ESTATE	19,480	0.38	2.31	-7.02	-7.02	-7.02	2.31	-1.68	2.80	4.74	6.54	9.86
PRIVATE EQUITY INVESTMENT	262,941	5.14	-1.46	-4.39	-3.74	-0.25	-1.75	-8.91	-14.05	1.55	3.12	4.90
CONTINGENCY RESERVE FUND	500	0.01	0.00	0.00	0.00	0.00	0.00	0.00				
TOTAL ALTERNATIVE INVESTMENTS	285,961	5.59	-1.19	-3.83	-4.08	-1.00	-1.46	-8.13	-11.91			
NCREIF PROPERTY INDEX												
			0.00	1.70	3.25	3.25	0.00	5.60	8.55	9.57	10.37	11.75
CASH EQUIVALENTS												
CASH ACCOUNT (INSIDE)	11,267	0.22	1.94	14.44	44.38	62.27	7.00	112.44	59.20			
CASH ACCOUNT (OUTSIDE)	1,254	0.02	0.15	0.42	0.89	1.22	0.27	2.17	3.86			
TOTAL PLAN												
TOTAL PLAN	5,112,658	100.00	0.71	-9.36	-8.52	-10.19	-5.22	-9.79	-13.34	-5.43	-1.79	1.62
TOTAL PLAN BENCHMARK*			0.78	-9.22	-8.49	-10.27	-5.12	-9.21	-12.76	-4.30	2.51	2.65

Asset Allocation Report Market Values at August 31, 2002 (\$Millions)	Style	Actual		Target		Difference	Cash	% of Total
	Mandate							
Domestic Equity								
Shott Capital Mgmt	alternative distribution	0.63	0.0%	0.00	0.00%	0.63	0.00	0.0%
JP Morgan Investment Management	active core	226.77	4.4%	178.94	3.50%	47.83	0.49	0.2%
Provident Investment Council	Active lrg cap grwth	96.23	1.9%	178.94	3.50%	-82.71	5.99	6.2%
SSgA Core	active core	253.10	5.0%	178.94	3.50%	74.16	0.91	0.4%
SSgA Russell 1000	lrg cap value index	122.28	2.4%	178.94	3.50%	-56.67	0.00	0.0%
SSgA Wilshire 5000	Passive Index	807.00	15.8%	894.72	17.50%	-87.72	(0.01)	0.0%
PIMCO	Enhanced Equity	372.39	7.3%	383.45	7.50%	-11.06	0.00	0.0%
NorthPointe Capital	Small Cap Value	84.44	1.7%	76.69	1.50%	7.75	4.14	4.9%
Wellington Mgmt	Small Cap Core	118.87	2.3%	153.38	3.00%	-34.51	5.94	5.0%
Wasatch Advisors	Small Cap Growth	59.85	1.2%	38.34	0.75%	21.50	0.42	0.7%
Columbia Mgmt	Small Cap Growth	61.44	1.2%	38.34	0.75%	23.10	1.93	3.1%
Transition Account	Small Cap	0.00	0.0%	0.00	0.00%	0.00	0.00	0.0%
TOTAL DOMESTIC EQUITY		\$2,203.01	43.1%	2,300.70	45.00%	-\$97.69	\$19.80	0.9%
International Equity								
Bank of Ireland	M/S all country ex US	514.80	10.1%	511.27	10.00%	3.53	9.49	1.8%
Putnam Investments	M/S all country ex US	526.63	10.3%	511.27	10.00%	15.36	7.09	1.3%
Transition Account	M/S all country ex US	0.30	0.0%	0.00	0.00%	0.30	0.00	1.2%
TOTAL INT'L EQUITY		\$1,041.73	20.4%	\$1,022.53	20.00%	\$19.20	\$16.59	1.6%
Domestic Fixed Income								
Fleet Investment Advisors	active core	519.73	10.2%	463.97	9.08%	55.76	25.70	4.9%
Fidelity Management & Research	mortgages	413.95	8.1%	351.50	6.88%	62.46	57.34	13.9%
Brown Brothers, Harriman	opportunistic core	194.60	3.8%	168.72	3.30%	25.89	14.42	7.4%
In-State Fixed Income	short/int govt	22.53	0.4%	0.00	0.00%	22.53	0.00	0.0%
Taplin, Canica & Habacht	corporates	211.65	4.1%	210.90	4.13%	0.75	18.53	8.8%
Mackay Shields	high yield	126.84	2.5%	108.64	2.13%	18.20	55.14	43.5%
Shenkman Capital Mgmt	high yield	79.55	1.6%	102.25	2.00%	-22.70	54.83	68.9%
Transition Account		0.58					0.00	
TOTAL FIXED-INCOME		1,569.44	30.7%	1,405.98	27.50%	\$162.88	\$225.95	14.4%
Alternative Investments								
JMB/ Heitman Advisory Corp	real estate	3.04	0.1%					
L&B Real Estate Counsel	real estate	19.48	0.4%					
Shott Capital Mgmt	alternative distribution	0.00	0.0%					
Pacific Corp Group	Private Equity	262.94	5.1%					
Bank Disposition	contingency	0.50	0.0%					
TOTAL ALTERNATIVE INVESTMENTS		\$285.96	5.6%	\$383.45	7.50%	-\$97.49	\$0.00	0.0%
CASH EQUIVALENTS	STIF, Yield+	12.52	0.2%	0.00	0.00%	12.52	12.52	100.0%
TOTAL ASSETS		\$5,112.66	100.0%	\$5,112.66	100.00%	-\$0.58	\$274.86	5.4%
Allocation By Management Style								
Domestic Equity								
Core		479.88	9.4%	357.89	7.00%	121.99	1.39	0.3%
Large Cap Growth		96.23	1.9%	178.94	3.50%	(82.71)	5.99	6.2%
Large Cap Value		122.28	2.4%	178.94	3.50%	(56.67)	-	0.0%
Index		807.00	15.8%	894.72	17.50%	(87.72)	(0.01)	0.0%
Enhanced Equity		372.39	7.3%	383.45	7.50%	(11.06)	(0.01)	0.0%
Alt Distribution		0.63	0.0%	-	0.00%	0.63	-	0.0%
Small Cap		324.60	6.3%	306.76	6.00%	17.84	12.42	3.8%
TOTAL DOMESTIC EQUITY		\$2,203.01	43.1%	2,300.70	45.00%	(\$97.69)	19.79	0.9%
International Equity								
Active		1,041.73	20.4%	1,022.53	20.00%	19.20	16.59	1.6%
TOTAL INT'L EQUITY		\$1,041.73	20.4%	\$1,022.53	20.00%	\$19.20	\$16.59	1.6%
Domestic Fixed Income								
Mortgage		413.95	18.3%	351.50	6.88%	62.46	57.34	13.9%
Core		736.87	4.2%	632.69	12.38%	104.18	40.12	5.4%
Corporates		211.65	4.1%	210.90	4.13%	0.75	18.53	8.8%
High Yield		206.97	4.0%	210.90	4.13%	(3.93)	109.96	53.1%
TOTAL FIXED-INCOME		\$1,569.44	30.7%	\$1,405.98	27.50%	\$163.46	\$225.95	14.4%
Alternative Investments								
Real Estate		22.52	0.4%					
Other Alternative Investments		263.44	5.2%					
TOTAL ALTERNATIVE INVESTMENTS		\$285.96	5.6%	\$383.45	7.50%	(\$97.49)	-	-
CASH EQUIVALENTS	STIF, Yield+	12.52	0.2%	0.00	0.00%	12.52	12.52	100.0%
TOTAL ASSETS		\$5,112.66	100.0%	\$5,112.66	100.00%	(\$0.00)	\$274.85	5.4%

RHODE ISLAND STATE INVESTMENT COMMISSION
Domestic Equity Holdings By Top 10 Market Values

AUGUST 31, 2002

<i>Equities</i>				
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS
1	MICROSOFT CORP	402,100	\$19,735,068	SSgA,Provident,J.P.Morgan
2	GENERAL ELC. CO	650,300	19,606,545	SSgA,Provident,J.P.Morgan
3	PFIZER INC	513,300	16,979,964	SSgA,Provident,J.P.Morgan
4	JOHNSON + JOHNSON	268,200	14,565,942	SSgA,J.P.Morgan
5	EXXON MOBIL CORP	386,700	13,686,182	SSgA,J.P.Morgan
6	CITIGROUP INC	354,533	11,610,956	SSgA,J.P.Morgan
7	CISCO SYS INC	742,400	10,259,968	SSgA,J.P.Morgan
8	PROCTER & GAMBLE CO	114,500	10,150,425	SSgA,J.P.Morgan
9	WAL MART STORES INC	180,500	9,653,140	SSgA,Provident,J.P.Morgan
10	INTEL CORP	570,500	9,510,235	SSgA,Provident,J.P.Morgan
		6.16%	\$135,758,424	
Total Composite Equities		\$2,202,380,693		

International Equity Holdings By Top 10 Market Values

AUGUST 31, 2002

<i>International Equities</i>				
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS
1	TOTAL FINA ELF	271,361	\$38,692,980	Bank of Ireland,Putnam
2	NESTLE SA	146,363	31,406,402	Bank of Ireland,Putnam
3	ING GROEP NV CVA	1,347,034	29,405,195	Bank of Ireland,Putnam
4	SHELL TRNSPT+TRDG	3,959,493	26,551,622	Bank of Ireland,Putnam
5	VODAFONE GROUP	15,867,573	25,404,651	Bank of Ireland,Putnam
6	GLAXOSMITHLINE	1,284,690	24,165,417	Bank of Ireland,Putnam
7	CANON INC	645,000	22,086,619	Bank of Ireland,Putnam
8	NOVARTIS AG	516,168	20,947,846	Bank of Ireland,Putnam
9	NTT DOCOMO	8,543	18,157,432	Bank of Ireland,Putnam
10	DIAGEO ORD	1,487,871	17,998,421	Bank of Ireland,Putnam
		24.46%	\$254,816,584	
Total Composite International Equities		\$1,041,724,044		

Alternative Investments Funding

2002

Manager	Inception Date	Partnership Commitment	Prior Funding Thru 7/31/02	Current Month Funding	Cumulative Total at 8/31/02	Unfunded Balance	Market Values at 8/31/02
<i>ABS Capital Partners</i>	May 1996	5,000,000	2,590,334	0	2,590,334	2,409,666	962,759
<i>Apollo Investment Fund IV L.P.</i>	Apr 1998	15,000,000	12,217,011	0	12,217,011	2,782,989	15,129,182
<i>Alta BioPharma Partners, L.P.</i>	Mar 1998	10,000,000	6,974,103	0	6,974,103	3,025,897	4,585,926
<i>Alta California Partners II L.P.</i>	Oct 1998	10,000,000	8,653,607	0	8,653,607	1,346,393	5,898,947
<i>Alta California Partners III L.P.</i>	Jan 2001	15,000,000	6,000,000	0	6,000,000	9,000,000	5,621,454
<i>Aurora Equity Partners II</i>	Mar 1998	15,000,000	10,483,471	0	10,483,471	4,516,529	11,769,248
<i>Blackstone Capital Ptnrs III</i>	May 1997	20,000,000	13,213,394	0	13,213,394	6,786,606	13,586,411
<i>Blackstone Capital Ptnrs IV</i>	Sept 2001	25,000,000	0	0	0	25,000,000	0
<i>Boston Ventures Ltd</i>	Sept 1996	5,000,000	4,176,783	94,699	4,271,482	728,518	2,275,563
<i>Collier Capital</i>	Mar 2002	15,000,000	0	0	0	15,000,000	0
<i>Crossroads/Providence LP</i>	Dec 1988	37,319,303	36,510,945	0	36,510,945	0	7,657,291
<i>CSFB Global Opportunities Ptnrs,</i>	Sept 2001	15,000,000	9,577,757	0	9,577,757	5,422,243	9,577,757
<i>CVC Capital Partners</i>	Mar 1998	15,000,000	9,723,552	384,130	10,107,682	4,892,318	8,260,574
<i>CVC Capital Partners III</i>	Mar 2001	20,000,000	1,463,488	429,980	1,893,468	18,106,532	1,619,310
<i>Doughty Hanson II</i>	Mar 1996	5,000,000	1,904,717	0	1,904,717	3,095,283	815,187
<i>Doughty Hanson III</i>	Nov 1997	15,000,000	11,638,869	0	11,638,869	3,361,131	10,528,603
<i>Fenway</i>	Aug 1998	15,000,000	7,887,832	0	7,887,832	7,112,168	6,256,619
<i>First Reserve Fund VIII L.P.</i>	Apr 1998	15,000,000	13,576,459	0	13,576,459	1,423,541	16,675,352
<i>First Reserve Fund IX L.P.</i>	Jan 2001	20,000,000	6,072,887	0	6,072,887	13,927,113	5,834,730
<i>Harvest Partners III</i>	Dec 1997	15,000,000	12,805,596	0	12,805,596	2,194,404	16,599,391
<i>Harvest Partners IV</i>	Aug 2001	15,000,000	1,800,000	0	1,800,000	13,200,000	1,800,000
<i>Heritage Fund</i>	May 1997	5,000,000	3,987,804	0	3,987,804	1,012,196	3,951,669
<i>Nautic Partners V</i>	Feb 2001	20,000,000	1,804,341	0	1,804,341	18,195,659	1,907,249
<i>Nordic Capital III</i>	Feb 1998	10,000,000	8,163,079	0	8,163,079	1,836,921	9,709,507
<i>OCM Opportunities Fund</i>	Jan 1996	8,000,000	823,006	0	823,006	7,176,994	3,495,784
<i>OCM Principal Opportunities</i>	Nov 1996	5,000,000	4,383,638	0	4,383,638	616,362	4,734,730
<i>OCM Opportunities II</i>	Oct 1997	12,000,000	7,131,237	0	7,131,237	4,868,763	8,769,696
<i>Parthenon Investors, L.P.</i>	Feb 1999	15,000,000	11,207,607	0	11,207,607	3,792,393	13,739,668
<i>Parthenon Investors II, L.P.</i>	Dec 2000	20,000,000	2,114,458	0	2,114,458	17,885,542	2,201,324
<i>Providence Equity Partners</i>	Dec 1996	10,000,000	4,834,326	0	4,834,326	5,115,674	2,958,794
<i>Providence Equity Partners III L.</i>	Dec 1998	15,000,000	8,600,669	0	8,600,669	6,399,331	4,907,126
<i>Providence Equity Partners IV L.P</i>	Sep 2000	25,000,000	3,196,000	0	3,196,000	21,804,000	3,240,652
<i>SKM Equity Fund II</i>	Dec 1996	10,000,000	7,784,244	0	7,784,244	2,215,756	7,222,799
<i>THL Equity Fund IV</i>	Dec 1997	9,000,000	7,194,662	0	7,194,662	1,805,338	9,003,850
<i>TPG Partners</i>	Apr 1997	10,000,000	8,193,060	0	8,193,060	1,806,940	5,312,890
<i>Triumph Partners III</i>	Feb 1998	15,000,000	9,467,520	0	9,467,520	5,532,480	8,486,111
<i>VS & A Communications Ptnrs III</i>	Nov 1998	15,000,000	7,316,871	0	7,316,871	7,683,129	5,437,248
<i>Wellspring Capital Partners</i>	Sep 1998	15,000,000	6,703,439	0	6,703,439	8,296,561	6,266,784
<i>Welsh, Carson, Anderson & Stowe</i>	Oct 1995	15,000,000	12,064,326	0	12,064,326	2,935,674	13,450,950
<i>Willis Stein</i>	Jun 1996	5,000,000	3,668,613	0	3,668,613	1,331,387	2,689,361
<i>Real Estate Investments</i>	Various	80,544,204	31,386,984	0	31,386,984	0	22,520,475
<i>Contingency Fund</i>		500,000	500,000	0	500,000	0	500,000
TOTALS:		\$642,363,507	\$327,816,689	\$908,809	\$328,755,498	\$263,642,431	\$285,961,171

**Retirement Systems
Investment Earnings
Fiscal Year 2003 to Date Summary**

**ERSRI
&
MERSRI** at August 31, 2002

	<i>LONG TERM</i>	<i>SHORT TERM</i>	<i>TOTAL</i>
INTEREST SOLD	\$10,208,212		\$10,208,212
SECURITIES LENDING	308,075		308,075
DIVIDENDS	4,782,063		4,782,063
INTEREST	15,087,195	50,637	15,137,832
MISCELLANEOUS	(2,030,038)		(2,030,038)
CAPITAL GAINS/LOSSES	(70,244,773)		(70,244,773)
GRAND TOTAL:	(\$41,889,267)	\$50,637	(\$41,838,630)

FISCAL YEAR 2003

ERSRI & MERSRI

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ACCRUAL BASIS

	Actual Jul 02	Actual Avg	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 03	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	Projected TOTAL
EQUITIES													
Provident Investmt			175,000			175,000			175,000			175,000	700,000
JP Morgan			210,000			210,000			210,000			210,000	840,000
SSgA Core			205,000			205,000			205,000			205,000	820,000
SSgA Russell			25,000			25,000			25,000			25,000	100,000
Shoif Capital			3,500			3,500			3,500			3,500	14,000
SSgA Wilshire 5000			50,000			50,000			50,000		1,792,000	50,000	200,000
PI/MCO													1,792,000
Columbia Plnrs			145,000			145,000			145,000			145,000	580,000
Wellington Mgmt			250,000			250,000			250,000		620,000	250,000	1,000,000
Wasatch Advisors													620,000
NorthPointe			160,000			160,000			160,000			160,000	640,000
FIXED INCOME													
Fleet Investment Advisors			207,500			207,500			207,500			207,500	830,000
Braun Bros.			115,000			115,000			115,000			115,000	460,000
Fidelity			140,000			140,000			140,000			140,000	560,000
Triffin			170,000			170,000			170,000			170,000	680,000
Mackay Shields			135,000			135,000			135,000			135,000	540,000
Shenckman			135,000			135,000			135,000			135,000	540,000
INT'L EQUITIES													
Bank of Ireland			400,000			400,000			400,000			400,000	1,600,000
Putnam Investments			450,000			450,000			450,000			450,000	1,800,000
REAL ESTATE													
Heitman Advisory			4,000			4,000			4,000			4,000	16,000
L & B Real Estate			130,000			130,000			130,000			130,000	520,000
ALTERNATIVE INVESTMENTS													
Other Alt Inv Mgmt Fees	804,486	176,384	225,000	80,000	325,000	300,000	1,400,000	60,000	15,000	300,000	265,000	180,000	4,130,870
SUB TOTAL - INV/MGMT FEES	804,486	176,384	3,335,000	80,000	325,000	3,410,000	1,400,000	60,000	3,125,000	300,000	2,677,000	3,290,000	18,982,870
PROFESSIONAL FEES													
Consulting	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	0
Legal	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	42,000
State Street Bank Custodial	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Pacific Corp Group	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	275,000
Wilshire Assoc	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,004
OPERATING EXPENSE													
Retirement Transfers			2,800,000			2,800,000			2,800,000			2,800,000	11,200,000
Other Expense													0
TOTAL:	846,653	218,551	6,245,917	122,167	367,167	6,320,917	1,442,167	102,167	6,035,917	342,167	2,719,167	6,200,917	30,963,874

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2003

	FY 2002-03 Actual July 2002	Actual August	Projected September	Projected October	Projected November	Projected December	Projected January 2003	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	35,574,521	37,073,530	36,000,000	36,000,000	36,000,000	36,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	438,648,051
ADMINISTRATIVE EXPENSES	36,560	36,553	2,750,000	40,000	40,000	2,750,000	40,000	40,000	2,750,000	40,000	40,000	2,750,000	11,313,113
INVESTMENT EXPENSES	697,528	152,901	3,400,000	75,000	300,000	3,500,000	1,350,000	57,500	3,200,000	285,000	255,000	3,400,000	16,672,929
TOTAL OUTFLOW	36,308,609	37,262,984	42,150,000	36,115,000	36,340,000	42,250,000	38,390,000	37,097,500	42,950,000	37,325,000	37,295,000	43,150,000	466,634,093
CONTRIBUTIONS	28,107,965	18,656,510	10,000,000	13,000,000	24,000,000	21,000,000	20,000,000	9,000,000	22,000,000	23,000,000	21,000,000	26,000,000	235,764,475
OTHER INCOME*	46,322	105,468	450,000	275,000	775,000	1,200,000	8,500,000	475,000	600,000	2,300,000	1,600,000	2,500,000	18,826,790
TOTAL INCOME	28,154,287	18,761,978	10,450,000	13,275,000	24,775,000	22,200,000	28,500,000	9,475,000	22,600,000	25,300,000	22,600,000	28,500,000	254,591,265
DIFFERENCE	(8,154,322)	(18,501,006)	(31,700,000)	(22,840,000)	(11,565,000)	(20,050,000)	(9,890,000)	(27,622,500)	(20,350,000)	(12,025,000)	(14,695,000)	(14,650,000)	(212,042,828)

Municipal Employees Retirement System

	Actual July 2002	Actual August	Projected September	Projected October	Projected November	Projected December	Projected January 2003	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	3,025,920	3,079,014	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	37,104,934
ADMINISTRATIVE EXPENSES	5,813	5,428	150,000	1,800	1,800	150,000	1,800	1,800	150,000	1,800	1,800	150,000	622,041
INVESTMENT EXPENSES	103,546	23,090	150,000	4,000	20,000	150,000	1,400,000	2,250	150,000	12,500	7,500	125,000	2,147,886
TOTAL OUTFLOW	3,135,279	3,107,532	3,400,000	3,105,800	3,121,800	3,400,000	4,501,800	3,104,050	3,400,000	3,114,300	3,109,300	3,375,000	39,874,861
CONTRIBUTIONS	2,822,362	2,198,979	1,000,000	1,750,000	1,500,000	4,000,000	750,000	1,750,000	1,250,000	3,250,000	2,000,000	3,500,000	25,771,341
OTHER INCOME*	6,876	15,661	60,000	40,000	120,000	175,000	122,000	75,000	95,000	375,000	250,000	375,000	1,709,537
TOTAL INCOME	2,829,238	2,214,640	1,060,000	1,790,000	1,620,000	4,175,000	872,000	1,825,000	1,345,000	3,625,000	2,250,000	3,875,000	27,480,878
DIFFERENCE	(306,041)	(892,892)	(2,340,000)	(1,315,800)	(1,501,800)	(775,000)	(3,629,800)	(1,279,050)	(2,055,000)	(510,700)	(859,300)	(500,000)	(12,393,983)

Judges/State Police
Retirement System

	Actual July 2002	Actual August	Projected September	Projected October	Projected November	Projected December	Projected January 2003	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	13,451	13,451	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	161,902
ADMINISTRATIVE EXPENSES	206	186	25,000	200	200	25,000	200	200	200	200	200	200	51,992
INVESTMENT EXPENSES	3,412	779	35,000	1,000	5,000	10,000	5,000	500	25,000	2,500	2,500	15,000	105,691
TOTAL OUTFLOW	17,069	14,416	73,500	14,700	18,700	48,500	18,700	14,200	38,700	16,200	16,200	28,700	319,585
CONTRIBUTIONS	884,586	1,511,768	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	6,396,354
OTHER INCOME*	227	537	1,500	1,100	3,200	5,500	60,000	3,000	3,000	12,000	7,500	125,000	222,564
TOTAL INCOME	884,813	1,512,305	401,500	401,100	403,200	405,500	460,000	403,000	403,000	412,000	407,500	525,000	6,618,918
DIFFERENCE	867,744	1,497,889	328,000	386,400	384,500	357,000	441,300	388,800	364,300	395,800	391,300	496,300	6,299,333

*Includes Income from Real Estate Investments, Venture Capital, Securities Lending, and Cash Accounts.

FISCAL YEAR 2000	JUL 1999	AUG	SEPT	OCT	NOV	DEC	JAN 2000	FEB	MAR	APR	MAY	JUN	YTD
FUNDING	9,823,066	5,110,752	9,901,425	6,380,627	3,468,723	8,796,622	8,253,423	8,993,081	8,615,659	7,611,390	4,732,500	3,911,269	85,618,437
DISTRIB & RET OF CAPITAL	936,824	943,255	614,451	625,662	1,479,086	2,264,032	613,896	626,829	4,401,772	1,193,941	908,508	621,479	15,229,735
GAINS/LOSSES/INCOME	4,494,508	482,472	2,183,904	1,137,446	917,857	433,686	1,006,405	288,160	9,976,688	1,546,109	502,193	2,169,983	25,139,411

FISCAL YEAR 2001	JUL 2000	AUG	SEPT	OCT	NOV	DEC	JAN 2001	FEB	MAR	APR	MAY	JUN	YTD
FUNDING	7,850,261	7,940,976	2,416,691	3,798,586	2,964,509	4,678,116	3,051,803	1,099,337	2,863,015	9,106,342	4,013,476	1,925,133	51,708,245
DISTRIB & RET OF CAPITAL	454,835	6,038,639	1,926,442	3,217,130	4,769,473	856,092	665,329	3,042,558	1,987,251	3,733,464	765,820	1,167,650	28,644,683
GAINS/LOSSES/INCOME	2,947,475	1,573,768	8,843,848	944,012	788,589	1,599,978	742,481	2,806,532	1,217,223	446,040	189,909	1,116,919	23,216,774

FISCAL YEAR 2002	JUL 2001	AUG	SEPT	OCT	NOV	DEC	JAN 2002	FEB	MAR	APR	MAY	JUN	YTD
FUNDING	2,811,969	2,446,774	887,809	7,070,705	2,539,487	4,008,151	7,307,155	6,607,182	4,926,838	2,754,691	3,785,407	3,374,775	48,520,943
DISTRIB & RET OF CAPITAL	1,900,266	572,212	1,949,501	48,098	1,255,339	1,773,166	2,539,580	559,306	2,194,701	637,233	1,183,349	3,353,124	17,965,875
GAINS/LOSSES/INCOME	443,245	20,359,100	398,539	23,394	479,230	1,882,213	10,453,060	301,945	213,708	871,873	1,101,240	2,851,061	39,378,608

FISCAL YEAR 2003	JUL 2002	AUG	SEPT	OCT	NOV	DEC	JAN 2003	FEB	MAR	APR	MAY	JUN	YTD
FUNDING	5,688,208	908,809											6,597,017
DISTRIB & RET OF CAPITAL	8,481,884	0											8,481,884
GAINS/LOSSES/INCOME	648,652	0											648,652

Rhode Island Employees Retirement System Securities Lending Report August, 2002
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<u>INVESTMENT MANAGER</u>	<u>Income</u>	<u>Average Collateral Balance</u>
DOMESTIC EQUITY		
Provident Investment Council	501	1,997,465
Columbia Partners	2,220	8,400,605
Wellington Mgmt. Co., LLP	3,001	12,127,058
Wasatch Advisors	12,855	22,840,305
NorthPointe Capital	2,717	10,415,926
JP Morgan Investment Management	1,289	4,096,675
MacKay Shields	5,486	16,296,105
Shenkman Capital Management	1,083	3,472,468
SSgA Core	<u>1,206</u>	<u>5,221,451</u>
Total Domestic Equity	<u>\$30,357</u>	<u>\$84,868,059</u>
INTERNATIONAL EQUITY		
Bank of Ireland	25,895	62,049,776
Putnam Investments	32,498	84,516,445
Total International Equity	<u>\$58,393</u>	<u>\$146,566,221</u>
FIXED INCOME		
Fleet Investment Advisors	27,856	159,066,459
Brown Brothers, Harriman	7,730	32,624,499
Taplin, Canida & Habacht	4,026	20,000,637
Total Fixed Income	<u>\$39,612</u>	<u>\$211,691,594</u>
TOTAL SECURITIES LENDING INCOME	<u>\$128,361</u>	<u>\$443,125,874</u>
 Calendar Year 2002 YTD	 \$ 1,754,994	

General Information

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State of Rhode Island and Providence Plantations
Office of the General Treasurer

Short Term Investments Portfolio by Fund

As of August 31, 2002

	Principal	Interest*	Total Value @ Maturity
4901 GENERAL FUND	76,559,269	0	76,559,269
4902 GENERAL FUND	0	0	0
4904 PENSION C	4,999,006	1,282	5,000,287
4908 PAYROLL A	3,999,204	415	3,999,620
4920 GENERAL FUND (HIST PRES)	442,025	336	442,361
5200 RI UNDERGROUND STORAGE TNK	1,199,585	1,633	1,201,218
5400 HIGHWAY FUND	1,859,916	0	1,859,916
5500 UNIVERSITY COLLEGE	6,298,367	1,595	6,299,962
5800 PROV. RIVER RELOCATION	0	0	0
6920 AUTO EQUIPMENT SERVICE	0	0	0
8000 T.D.I. RESERVE (DET)	73,231,399	222	73,231,621
8300 PERMANENT SCHOOL FUND	652,662	381	653,043
8400 EMP RETIREMENT FUND	0	0	0
8500 MUN EMP RETIREMENT FUND	0	0	0
8700 R.I. CLEAN WATER ACT	2,299,619	0	2,299,619
9000 BOND CAPITAL FUND	29,491,345	1,009	29,492,354
9400 R.I. HIGHER EDUCATION	0	0	0
9700 STATE LOTTERY FUND	24,282,677	336	24,283,013
9800 INDUS. BLDG. & MTG. INS.	3,200,764	950	3,201,714
9900 SINKING FUND	3,375,367	3,328	3,378,695
4911 TOBACCO SETTLEMENT FY04	36,601,051	0	36,601,051
Subtotal	268,492,257	11,487	268,503,743
8701 CLEAN WATER CCDL2000 A	2,622		
8702 CLEAN WATER 1993 SER. A	35,122		
8703 CLEAN WATER 1991 SERIES A	711,441		
8704 CLEAN WATER 96 SERIES A	266,251		
8706 CLEAN WATER CCDL 1994 (A)	177,183		
8707 CAP DEV. OF 1997 SERIES A	158,186		
8733 CAP DEV. OF 1997 SERIES A	102,419		
8734 POLLUTION CONTROL 96A	0		
8737 RI POLLUT. CONT 94 SER. A	45,525		
8738 POLLUTION CONTROL 1998B	5,689		
8739 CCDL99A 1999A	419,226		
8740 POLLUTION CONTROL CCDL200A	3,900,342		
8741 BOND 2001	1,278,086		
9108 BOND SALE 1990 SER. A&B	1,072		
9114 G.O. NOTE 1991 SER. B	9,028		
9115 BOND CCDL 1992 SERIES A	594		
9116 BOND CCDL 1993 SERIES A	1,461,421		
9117 BOND CCDL 1994 SERIES A	1,205,118		
9118 BOND CCDL 1995 SER. A	5,333		
9119 CCDL 95 B	0		
9120 BOND CCBL96A	1,947,739		
9121 CAP DEV OF 1997 SERIES A	1,406,604		
9122 1998 MULTIMODAL GEN OBLIG	0		
9123 CCDL 1998B	4,817,838		
9124 CCDL99A 1999A	14,222,606		
9125 MMG099 1999	3,300,765		
9126 BOND CAPITOL CCDL2000A	9,113,244		
9127 MULTI-MODAL GEN OBL 2000	1,607,999		
9128 BOND 2001	21,147,728		
Subtotal Bond Proceed Accounts	67,349,182		
Total Short Term Portfolio	335,841,438		

* General Fund (4901), TDI (8000), & ISTEPA (5400) Investments do not reflect interest earnings on Brinson Advisors & Dreyfus MM due to nature of Money Market investments. Interest is posted on the 1st business day of the next month.

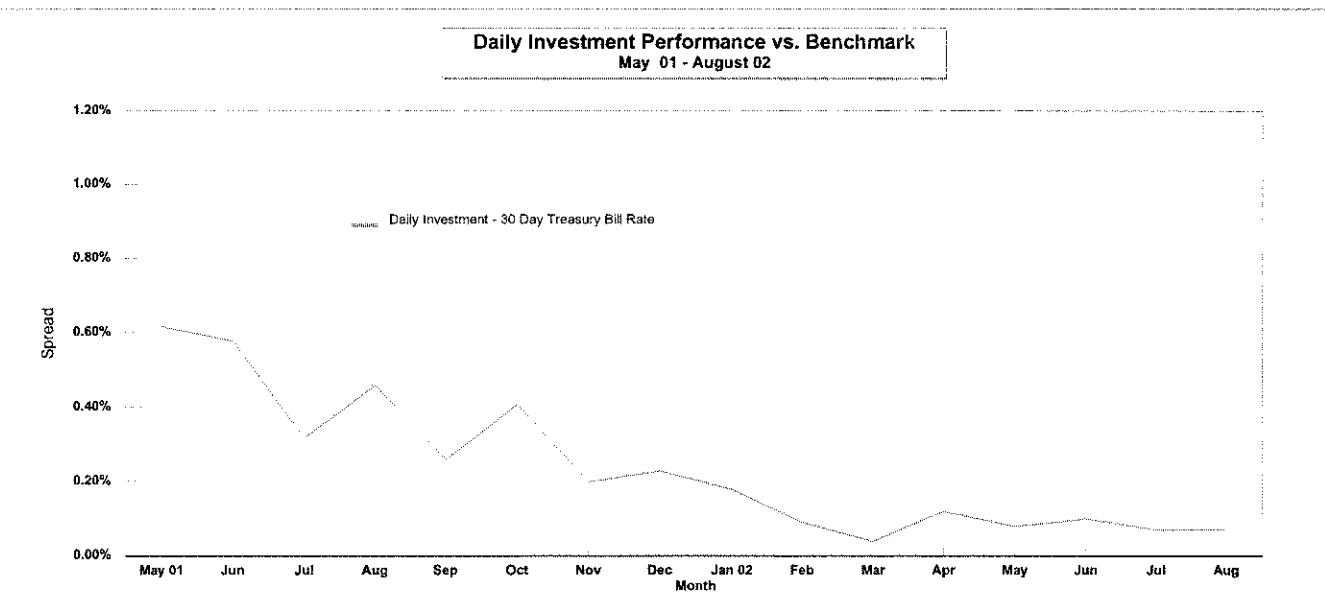
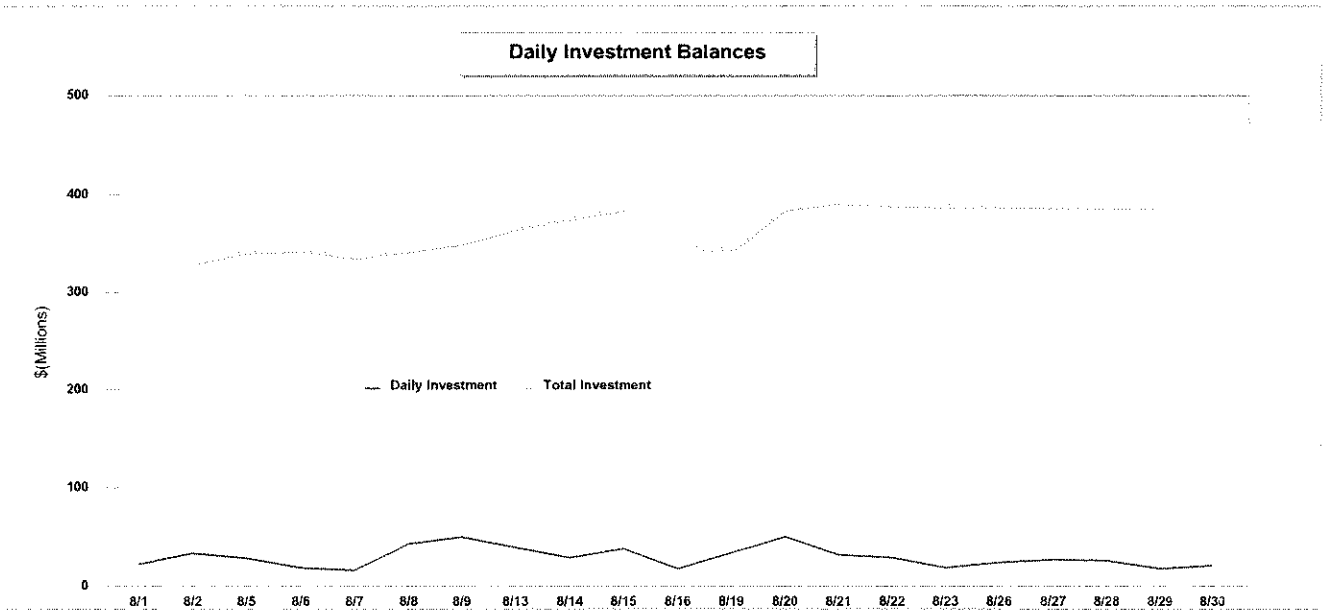
Short Term Interest Rate Performance
August 31, 2002

<u>Date</u>	<u>Amount Invested (millions)</u>	<u>Money Market Funds</u>	<u>Weighted Interest Rate</u>	<u>30 Day Treasury Rate</u>	<u>Basis Point Difference</u>	<u>Date</u>	<u>Total Investment (millions)</u>
8/01	\$23.79	\$0.13	1.74	1.69	5.21	8/01	\$411.48
8/02	\$23.73	\$11.20	1.74	1.65	8.52	8/02	\$328.89
8/05	\$23.30	\$6.80	1.75	1.59	15.50	8/05	\$339.68
8/06	\$20.20	\$0.00	1.72	1.63	8.99	8/06	\$342.08
8/07	\$17.75	\$0.00	1.72	1.68	4.41	8/07	\$334.68
8/08	\$31.27	\$13.30	1.72	1.65	6.89	8/08	\$341.40
8/09	\$43.19	\$8.00	1.70	1.58	12.04	8/09	\$348.71
8/13	\$32.39	\$8.50	1.68	1.64	4.14	8/13	\$363.70
8/14	\$30.30	\$0.00	1.69	1.64	4.52	8/14	\$374.35
8/15	\$39.60	\$0.00	1.73	1.66	6.83	8/15	\$383.41
8/16	\$19.20	\$0.00	1.65	1.64	1.42	8/16	\$345.41
8/19	\$35.25	\$0.00	1.70	1.57	12.98	8/19	\$340.86
8/20	\$51.89	\$0.00	1.69	1.63	5.94	8/20	\$384.17
8/21	\$33.19	\$0.00	1.70	1.66	3.65	8/21	\$390.76
8/22	\$30.45	\$0.00	1.73	1.66	7.16	8/22	\$387.73
8/23	\$20.35	\$0.00	1.63	1.64	-0.61	8/23	\$386.78
8/26	\$25.34	\$0.00	1.69	1.61	7.59	8/26	\$386.77
8/27	\$28.53	\$0.00	1.68	1.64	4.03	8/27	\$386.18
8/28	\$19.76	\$7.66	1.74	1.68	6.02	8/28	\$385.88
8/29	\$17.65	\$1.76	1.76	1.69	6.61	8/29	\$385.68
8/30	\$22.49	\$0.00	1.72	1.68	3.51	8/30	\$335.84
	Amount Invested		Weighted Average Rate	Average 30 day Rate	Basis Point Difference		
	\$589.62	\$57.35	1.71	1.64	7		
Money Market	57.35						
Total	646.97						

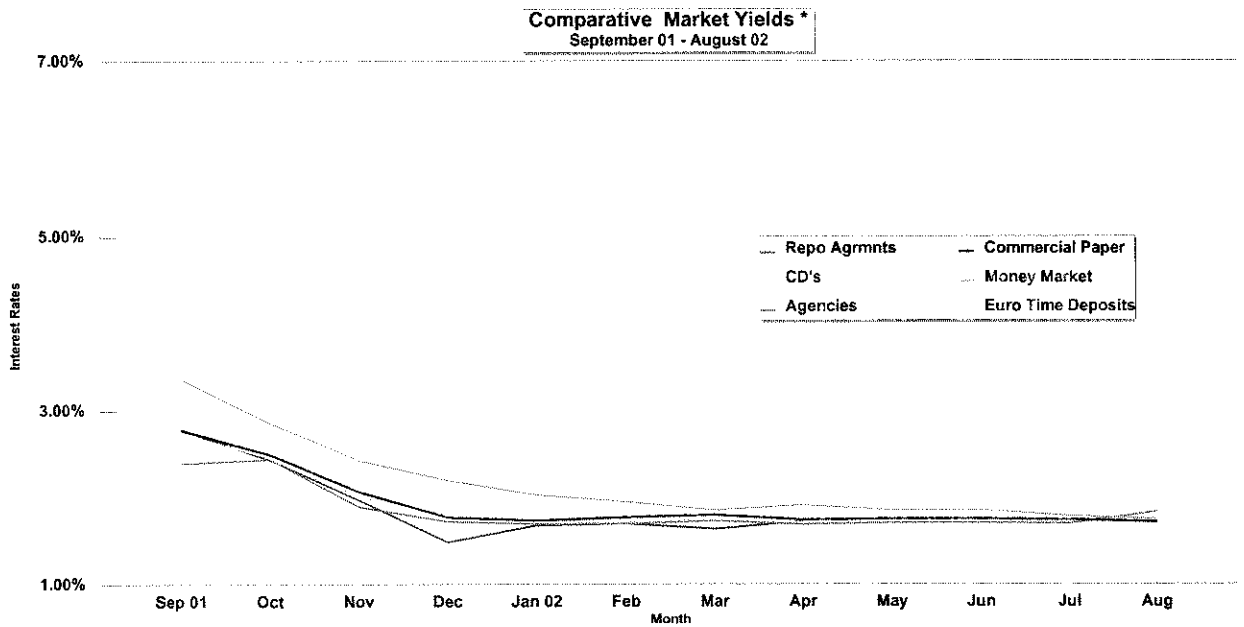
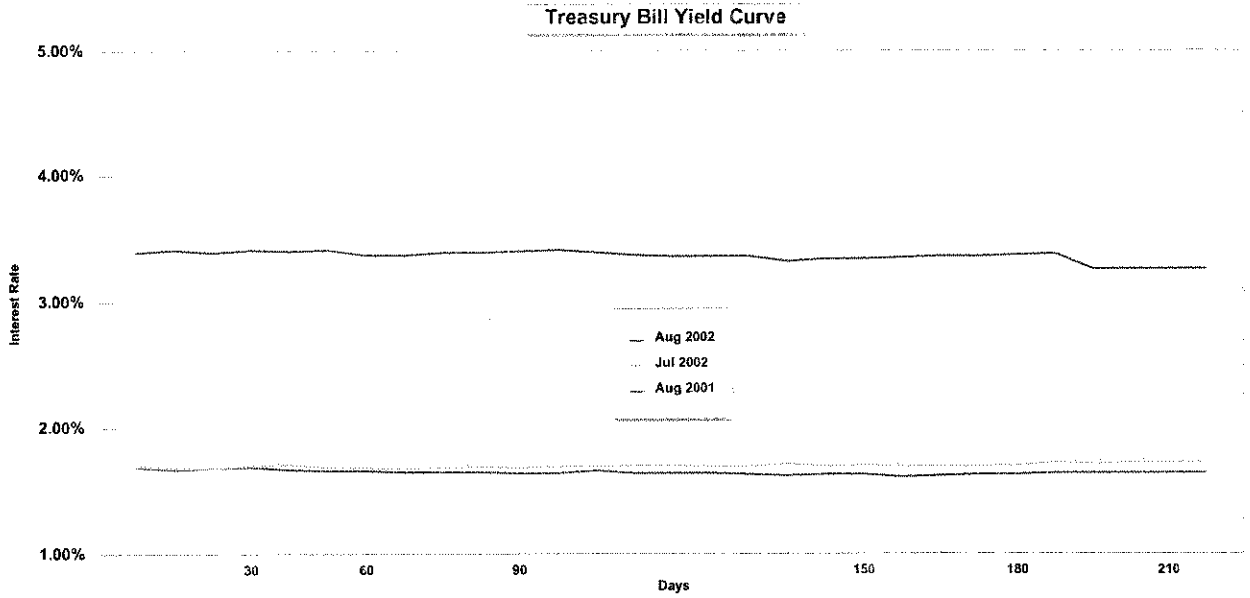
INTEREST

**RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM INVESTMENTS**

August 31, 2002



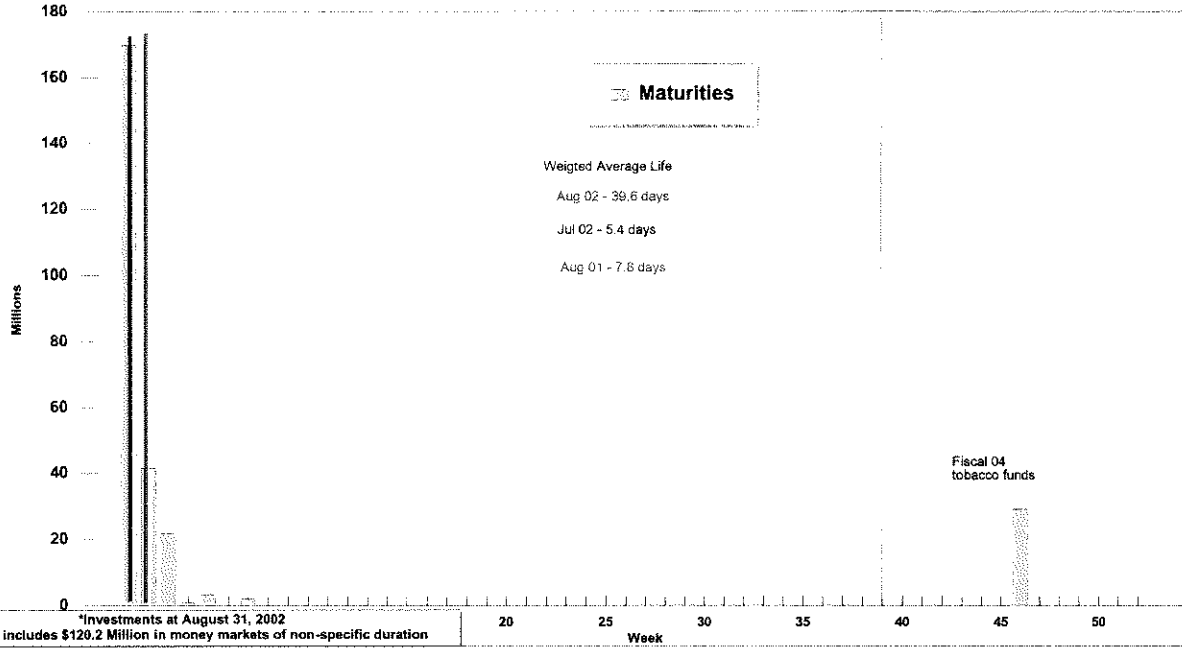
**RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM INVESTMENTS**



* Denotes weighted average monthly yields on portfolio

**RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM INVESTMENTS**

Portfolio Maturities by Week*

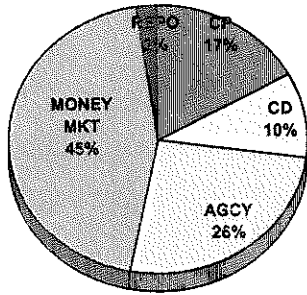


SUMMARY PORTFOLIO YIELDS

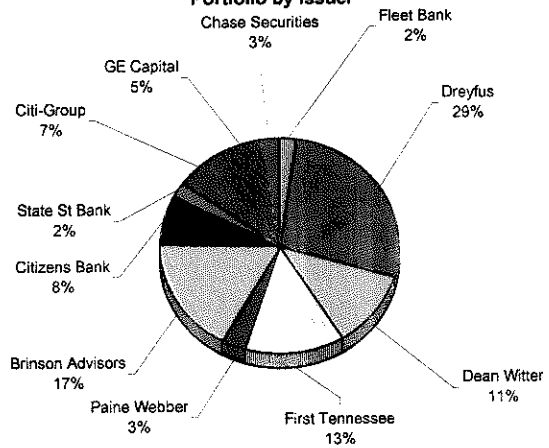
	WEIGHTED AVERAGE YIELD(%)
August 31, 2002	1.8%
July 31, 2002	1.8%
August 31, 2001	3.6%

RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM CASH INVESTMENTS AT AUGUST 31, 2002

Portfolio By Instrument



Portfolio by Issuer



REPO = Repurchase Agreement
 CP = Commercial Paper
 CD = Certificate of Deposit
 ETD = Euro Time Deposit
 Agency = US Government Agency

Vendor	CP	CD	Agency	Money Mkt	ETD	Repo	Total (\$)
Guidelines-Total/Vendor	25%/10%	25%/10%	75%/35%	50%/35%		100%/20%	
Fleet Bank	5,991,338 2%	0 0%	0 0%	0 0%	0 0%	0 0%	5,991,338 2%
Dreyfus	0 0%	0 0%	0 0%	74,153,306 28%	0 0%	0 0%	74,153,306 28%
Zions Bank	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Dean Witter	6,395,956 2%	0 0%	24,446,714 9%	0 0%	0 0%	0 0%	30,842,670 11%
Chase Securities	0 0%	7,000,000 3%	0 0%	0 0%	0 0%	0 0%	7,000,000 3%
Paine Webber	0 0%	0 0%	8,998,210 3%	0 0%	0 0%	0 0%	8,998,210 3%
Ford Motor	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
First Tennessee	0 0%	0 0%	36,031,757 13%	0 0%	0 0%	0 0%	36,031,757 13%
Brinson Advisors	0 0%	0 0%	0 0%	46,086,224 17%	0 0%	0 0%	46,086,224 17%
Citizens Bank	0 0%	20,282,425 8%	0 0%	0 0%	0 0%	0 0%	20,282,425 8%
GE Capital	14,575,466 5%	0 0%	0 0%	0 0%	0 0%	0 0%	14,575,466 5%
Sun Trust	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Citi-Group	18,780,672 7%	0 0%	0 0%	0 0%	0 0%	0 0%	18,780,672 7%
State St Bank	0 0%	0 0%	0 0%	0 0%	0 0%	5,750,190 2%	5,750,190 2%
TOTALS	45,743,430	27,282,425	69,476,681	120,239,530	0	5,750,190	268,492,257
(%) PORTFOLIO	17%	10%	26%	45%	0%	2%	100%

SPECIAL FUNDS
 INVESTMENT SUMMARY
 AUGUST 31, 2002

<u>FUND NAME</u>	<u>EQUITIES</u>	<u>CASH & EQUIVALENTS</u>	<u>FIXED INCOME</u>	<u>Gain/Loss</u>	<u>TOTAL MARKET VALUE</u>
<u>Abraham Touro Fund</u>	\$1,114,055	\$188,030	\$582,201	\$10,649	\$1,884,286
<u>State of Rhode Island Land Grant Fund</u>	0	\$65,309	0	\$73	\$65,309
<u>TOTALS</u>	\$1,114,055	\$253,339	\$582,201	\$10,723	\$1,949,595

FISCAL YEAR 2003

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
ISO:	7,718,424	2,489,788	0	0	0	0	0	0	0	0	0	0	10,208,212
SCL:	179,714	128,361	0	0	0	0	0	0	0	0	0	0	308,075
DIV:	2,386,720	2,395,342	0	0	0	0	0	0	0	0	0	0	4,782,063
INT:	7,544,885	7,542,311	0	0	0	0	0	0	0	0	0	0	15,087,195
MIS:	(840,057)	(1,189,982)	(0)	0	0	0	0	0	0	0	0	0	(2,030,039)
CAPGNLS:	(51,793,358)	(18,451,416)	0	0	0	0	0	0	0	0	0	0	(70,244,773)
TOTAL:	(34,803,672)	(7,085,595)	(0)	0	0	0	0	0	0	0	0	0	(41,889,267)
SHORT TERM TOTAL	35,599	15,038	0	0	0	0	0	0	0	0	0	0	50,637

SUMMARY BY SOURCE:

FY 2001

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
ISO:	1,570,173	801,997	518,772	1,060,463	1,600,171	3,970,345	976,396	584,183	1,145,046	1,122,471	2,812,488	1,267,235	17,429,740
SCL:	144,694	121,147	182,026	228,368	250,924	230,713	196,566	165,375	251,028	317,547	299,640	216,762	2,604,790
DIV:	1,850,179	1,514,638	3,392,318	2,701,686	1,701,683	3,755,221	1,407,124	888,770	2,660,377	4,726,014	7,376,644	4,715,163	35,752,817
INT:	9,991,736	15,623,111	10,537,045	7,472,268	13,756,874	7,211,142	8,325,524	13,635,890	8,350,350	7,037,656	8,997,532	6,136,765	117,075,893
MIS:	(537,473)	1,360,112	85,548	(16,611)	220,351	847,276	(935,953)	49,303	310,586	228,729	971,485	1,171,394	3,754,767
CAPGNLS:	(15,363,524)	(26,768,978)	(33,034,259)	(94,262,958)	(12,420,046)	11,093,085	(9,774,329)	(52,872,478)	29,080,145	(7,861,101)	2,828,925	(23,244,435)	(232,599,953)
TOTAL:	(2,344,215)	(7,347,973)	(18,318,550)	(82,816,764)	4,509,957	27,107,782	(141,652)	(37,548,957)	41,797,532	5,571,316	23,286,714	(9,737,116)	(55,981,946)
SHORT TERM TOTAL	42,125	29,395	11,452	14,962	21,088	12,081	14,714	7,161	12,267	20,133	14,784	16,408	216,570

SUMMARY BY SOURCE:

Key:	ISO - Interest Sold	123.5W/mcinfy99
	SCL - Securities Lending	
	DIV - Dividend earned	
	INT - Interest earned	
	MIS - Miscellaneous Income	
	CAPGNLS - Capital Gains/Losess	

ERSRI & MERSRI INCOME FILE FY 2003

July 2002 August September October November December January 2003 February March April May June YTD FY 2003

ZU 12

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY 2003
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

ZU 16

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY 2003
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	564	0	0	0	0	0	0	0	0	0	0	0	564
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	(6,634)	0	0	0	0	0	0	0	0	0	0	0	(6,634)
TOTAL	(6,071)	0	0	0	0	0	0	0	0	0	0	0	(6,071)

Provident ZU21 & 22

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY 2003
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	26,880	8,588	0	0	0	0	0	0	0	0	0	0	35,468
INT	6,744	8,854	0	0	0	0	0	0	0	0	0	0	15,598
MIS	(3,733)	0	0	0	0	0	0	0	0	0	0	0	(3,733)
CAPGNLS	(4,765,888)	(334,007)	0	0	0	0	0	0	0	0	0	0	(5,099,895)
TOTAL	(4,735,996)	(316,565)	0	0	0	0	0	0	0	0	0	0	(5,052,562)

Columbia ZU 37

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY 2003
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	7,173	11,413	0	0	0	0	0	0	0	0	0	0	18,586
INT	3,041	6,513	0	0	0	0	0	0	0	0	0	0	9,554
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	(3,552,030)	(1,188,092)	0	0	0	0	0	0	0	0	0	0	(4,740,123)
TOTAL	(3,541,816)	(1,170,166)	0	0	0	0	0	0	0	0	0	0	(4,711,983)

INCOME FILE

	July 2002	August	September	October	November	December 2002	January 2003	February	March	April	May	June	YTD FY2003
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NoPointe ZU 47

ISO													0
SCL													0
DIV	205,243	43,417	0	0	0	0	0	0	0	0	0	0	248,660
INT	7,813	6,772	0	0	0	0	0	0	0	0	0	0	14,585
MIS	0	(14)	0	0	0	0	0	0	0	0	0	0	(14)
CAPGNLS	(1,733,325)	(1,524,444)	0	0	0	0	0	0	0	0	0	0	(3,257,768)
TOTAL	(1,520,269)	(1,474,269)	0	0	0	0	0	0	0	0	0	0	(2,994,537)

Alternative Investments ZU 32

ISO													0
SCL													0
DIV													0
INT	0	17	0	0	0	0	0	0	0	0	0	0	17
MIS	(635,062)	(176,384)	0	0	0	0	0	0	0	0	0	0	(1,011,446)
CAPGNLS	512,133	0	0	0	0	0	0	0	0	0	0	0	512,133
TOTAL	(322,929)	(176,367)	0	0	0	0	0	0	0	0	0	0	(499,296)

Bank Acquisition ZU 60

ISO													0
SCL													0
DIV													0
INT													0
MIS	782	801	0	0	0	0	0	0	0	0	0	0	1,583
CAPGNLS													0
TOTAL	782	801	0	0	0	0	0	0	0	0	0	0	1,583

Instate ZU 40

ISO													0
SCL													0
DIV													0
INT													0
MIS	121,604	125,555	0	0	0	0	0	0	0	0	0	0	247,159
CAPGNLS		0											0
TOTAL	121,604	125,555	0	0	0	0	0	0	0	0	0	0	247,159

INCOME FILE

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
Fleet ZU 42													
ISO	662,982	211,791	0	0	0	0	0	0	0	0	0	0	874,773
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	1,539,626	2,222,052	0	0	0	0	0	0	0	0	0	0	3,761,678
MIS	(1,037)	(917)	0	0	0	0	0	0	0	0	0	0	(1,954)
CAPGNLS	3,377,972	797,828	0	0	0	0	0	0	0	0	0	0	4,175,800
TOTAL	5,579,543	3,230,754	0	0	0	0	0	0	0	0	0	0	8,810,297
Brown Bros Zu 44													
ISO	165,103	218,979	0	0	0	0	0	0	0	0	0	0	384,082
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	8,656	0	0	0	0	0	0	0	0	0	0	0	8,656
INT	422,237	912,759	0	0	0	0	0	0	0	0	0	0	1,334,996
MIS	19	(16)	0	0	0	0	0	0	0	0	0	0	3
CAPGNLS	191,741	1,488,768	0	0	0	0	0	0	0	0	0	0	1,680,508
TOTAL	787,755	2,620,489	0	0	0	0	0	0	0	0	0	0	3,408,245
Fidelity ZU 46													
ISO	235,764	280,913	0	0	0	0	0	0	0	0	0	0	516,678
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	2,159,265	2,178,536	0	0	0	0	0	0	0	0	0	0	4,337,801
MIS	(62,419)	0	0	0	0	0	0	0	0	0	0	0	(62,419)
CAPGNLS	949,622	3,044,486	0	0	0	0	0	0	0	0	0	0	3,994,108
TOTAL	3,282,233	5,503,935	0	0	0	0	0	0	0	0	0	0	8,786,168
Taplin, Canida & Habecht ZU 84													
ISO	420,104	0	0	0	0	0	0	0	0	0	0	0	420,104
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	1,718,404	1,163,618	0	0	0	0	0	0	0	0	0	0	2,882,022
MIS	0	(14)	(0)	0	0	0	0	0	0	0	0	0	(14)
CAPGNLS	948,900	0	0	0	0	0	0	0	0	0	0	0	948,900
TOTAL	3,087,408	1,163,604	(0)	0	0	0	0	0	0	0	0	0	4,251,012

INCOME FILE

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
Heitman ZU34													
ISO													0
SCL													0
DIV													0
INT													0
MIS	43,576	0	0	0	0	0	0	0	0	0	0	0	43,576
CAPGNLS													0
TOTAL	43,576	0	0	0	0	0	0	0	0	0	0	0	43,576
L & B ZU 36													
ISO													0
SCL													0
DIV													0
INT													0
MIS	0*	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS													0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0
Mackay Shield ZU 59													
ISO	1,868,541	1,720,118											3,588,659
SCL													0
DIV	12,653												12,653
INT	1,012,994	764,142											1,777,136
MIS	0	74,300											74,300
CAPGNLS	(796,883)	(4,225,202)											(5,022,085)
TOTAL	2,097,304	(1,666,642)	0	0	0	0	0	0	0	0	0	0	430,662
Shankman ZU 61													
ISO	12,668	57,988											70,655
SCL													0
DIV													0
INT		80,822											80,822
MIS	0	0											0
CAPGNLS	(12,935)	(119,063)											(131,998)
TOTAL	(268)	19,747	0	0	0	0	0	0	0	0	0	0	19,479

INCOME FILE

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
Cash - Out of Trust ZU 66													
ISO													0
SCL													0
DIV													0
INT	23,181	27,523	0	0	0	0	0	0	0	0	0	0	50,704
MIS													0
CAPGNLS													0
TOTAL	23,181	27,523	0	0	0	0	0	0	0	0	0	0	50,704
Cash - In Trust ZU 76													
ISO													0
SCL	179,714	128,361	0	0	0	0	0	0	0	0	0	0	308,075
DIV													0
INT	7,498	7,767	0	0	0	0	0	0	0	0	0	0	15,264
MIS	0	8,026	0	0	0	0	0	0	0	0	0	0	8,026
CAPGNLS													0
TOTAL	187,211	144,154	0	0	0	0	0	0	0	0	0	0	331,365
Loomis Sayles ZU 90													
ISO													4,353,262
SCL	4,353,262	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	43,483	0	0	0	0	0	0	0	0	0	0	0	43,483
MIS	483,627	699	0	0	0	0	0	0	0	0	0	0	484,326
CAPGNLS	54,196	(12)	0	0	0	0	0	0	0	0	0	0	54,183
TOTAL	(21,451,136)	0	0	0	0	0	0	0	0	0	0	0	(21,451,136)
TOTAL	(16,516,569)	686	0	0	0	0	0	0	0	0	0	0	(16,515,883)
J.P. Morgan ZU 48													
ISO													0
SCL													0
DIV													0
INT	343,782	270,756	0	0	0	0	0	0	0	0	0	0	614,538
MIS	811	776	0	0	0	0	0	0	0	0	0	0	1,588
CAPGNLS	(0)	(1)	0	0	0	0	0	0	0	0	0	0	(1)
TOTAL	(4,967,273)	(1,743,384)	0	0	0	0	0	0	0	0	0	0	(6,710,657)
TOTAL	(4,622,680)	(1,471,852)	0	0	0	0	0	0	0	0	0	0	(6,094,532)

INCOME FILE

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
SSgA Core ZU 99													
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	275,123	223,015	0	0	0	0	0	0	0	0	0	0	498,139
INT	2,533	4,438	0	0	0	0	0	0	0	0	0	0	6,970
MIS	0	(1,128,599)	0	0	0	0	0	0	0	0	0	0	(1,128,599)
CAPGNLS	(2,395,124)	0	0	0	0	0	0	0	0	0	0	0	(2,395,124)
TOTAL	(2,117,468)	(901,146)	0	0	0	0	0	0	0	0	0	0	(3,018,615)

Shott Capital Mgmt ZU 49

SSgA Russell ZU 98													
ISO													
SCL													
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	85	206	0	0	0	0	0	0	0	0	0	0	291
MIS	(59)	0	0	0	0	0	0	0	0	0	0	0	(59)
CAPGNLS	(88,407)	(17,806)	0	0	0	0	0	0	0	0	0	0	(106,213)
TOTAL	(88,382)	(17,600)	0	0	0	0	0	0	0	0	0	0	(105,981)

SSgA Wilshire 5 ZU 50

SSgA Wilshire 5 ZU 50													
ISO													
SCL													
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT													
MIS													
CAPGNLS													
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

