COMBINED FINANCIAL STATEMENTS

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST PROGRAM

New Jersey Department of Treasury, Division of Investment Managed Investment Options

June 30, 2023

FRANKLIN TEMPLETON®

Combined Financial Statements and Supplemental Information

Contents

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Report of Independent Auditors

To the Trustees of

New Jersey Better Educational Savings Trust Program - New Jersey Department of Treasury, Division of Investment Managed Investment Options

We have audited the accompanying combined financial statements, which comprise the combined statement of fiduciary net position of the New Jersey Better Educational Savings Trust Program - New Jersey Department of Treasury, Division of Investment Managed Investment Options (the "Trust") as of June 30, 2023, and the related combined statement of changes in fiduciary net position for the year then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust at June 30, 2023, and the results of its operations and changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 6 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Supplemental Information including the statement of investments – NJBEST Pooled Equity Fund, the schedule of each portfolio's fiduciary net position as of June 30, 2023, and the schedule of changes in each portfolio's fiduciary net position indicated therein are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Ernst + Young LLP

September 15, 2023

Management's Discussion and Analysis

The New Jersey Better Educational Savings Trust Program ("Program") includes investment portfolios managed by the New Jersey Department of Treasury, Division of Investment ("Division of Investment") for accounts open prior to March 17, 2003 and portfolios managed by Franklin Templeton for accounts opened after March 17, 2003. The financial data for the Program for the year ended June 30, 2023 is contained in two separate audited financial reports: 1) the New Jersey Department of Treasury, Division of Investment Managed Investment Options (the "Division of Investment Options") and 2) the Franklin Templeton Managed Investments Options.

These financial statements pertain solely to the Division of Investment Options and offer readers of the financial statements this discussion and analysis of the financial performance for the year ended June 30, 2023. Readers should consider the information presented in this section in conjunction with the combined financial statements and notes to combined financial statements. The Division of Investment Options consist of six (6) investment portfolios (the "Portfolios") in which account owners ("Account Owners") may invest.

Financial Highlights

During the year ended June 30, 2023, the Portfolios within the Division of Investment Options posted returns below. The expense ratio for all Portfolios within the Division of Investment Options is 0.40% per annum based on the average daily net assets of each portfolio.

	Single Class
NJ Best Trust A	7.19%
NJ Best Trust B	6.99%
NJ Best Trust C	6.50%
NJ Best Trust D	7.43%
NJ Best Trust E	10.86%
NJ Best Better Educational Saving Trust	11.43%

Overview of the Combined Financial Statements

The Division of Investment Options combined financial statements are prepared in accordance with the Government Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, as amended.

The Combined Statement of Fiduciary Net Position presents information on the Division of Investment Options' assets and liabilities, with the difference between the two reported as net position as of June 30, 2023. This statement, along with all of the Division of Investment Options combined financial statements, is prepared using the accrual basis of accounting. Contributions are recognized when enrollment in the Division of Investment Options is finalized; all subsequent subscriptions and redemptions are recognized on trade date; expenses and liabilities are recognized when services are provided regardless of when cash is disbursed.

The Combined Statement of Changes in Fiduciary Net Position presents information showing how the Division of Investment Options' assets changed during the year ended June 30, 2023. Changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows in a future period.

The Notes to the Combined Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic combined financial statements.

Financial Analysis

The following are condensed Combined Statements of Fiduciary Net Position as of June 30, 2023 and 2022:

	2023	2022
Investments	$ 113,386,843	$ 133,509,588
Receivables	233,756	279,060
Total assets	113,620,599	133,788,648
Payables	63,618	139,081
Total liabilities	63,618	139,081
Fiduciary Net Position held in trust for Account Owners in the Program	$ 113,556,981	$ 133,649,567

Fiduciary Net Position represents total contributions from Account Owners since the Program's inception, plus the net increases (decreases) from operations, less withdrawals and expenses.

The investments in the six (6) Portfolios of the Division of Investment Options comprise 99.8% of total assets. Other assets consist of receivables for shares sold and accrued income. Liabilities consist of payables for shares redeemed and accrued expenses.

The following are condensed Combined Statements of Changes in Fiduciary Net Position for the years ended June 30, 2023 and 2022:

	2023	2022
Additions:		
Subscriptions	$ 5,986,961	$ 8,629,160
Net increase (decrease) in Fiduciary Net Positions resulting from operations	10,851,381	(5,119,236)
Total additions	16,838,342	3,509,924
Deductions:		
Redemptions	36,930,928	53,294,069
Total deductions	36,930,928	53,294,069
Changes in Fiduciary Net Position held in trust for Account Owners in the Program	(20,092,586)	(49,784,145)
Fiduciary Net Position - beginning of year	133,649,567	183,433,712
Fiduciary Net Position - end of year	$ 113,556,981	$ 133,649,567

The Division of Investment Options paid $30.9 million in net redemptions to Account Owners during the year ended June 30, 2023.

The Division of Investment Options earned $3.1 million of investment income and incurred $0.5 million of Program management fees during the year ended June 30, 2023.

Combined Financial Statements

Combined Statement of Fiduciary Net Position

June 30, 2023

Assets:		
Investments, at fair value (Cost: $72,714,178)	$	113,386,843
Interest receivable		231,986
Receivable from Plan shares sold		1,770
Total Assets		113,620,599
Liabilities:		
Accrued expenses		40,198
Payable for Plan shares redeemed		23,420
Total liabilities		63,618
Fiduciary net position held in trust for Account Owners in the Program	$	113,556,981

The accompanying notes are an integral part of these combined financial statements.

Combined Statement of Changes in Fiduciary Net Position

for the year ended June 30, 2023

Additions:		
Subscriptions	$	5,986,961
Investment earnings:		
Dividend income		1,829,046
Interest income		1,257,240
Net realized gain (loss) from sales of investments		(5,727)
Net change in unrealized appreciation (depreciation) on investments		8,242,407
Total investment earnings (losses)		11,322,966
Investment costs:		
Program management fees (Note 2)		(471,585)
Total investment costs		(471,585)
Net investment earnings (losses)		10,851,381
Total additions		16,838,342
Deductions:		
Redemptions		36,930,928
Total deductions		36,930,928
Changes in fiduciary net position held in trust for Account Owners in the Program		(20,092,586)
Fiduciary net position - beginning of year		133,649,567
Fiduciary net position - end of year	$	113,556,981

The accompanying notes are an integral part of these combined financial statements.

Notes to Combined Financial Statements

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The State of New Jersey (the “State”) established the New Jersey Better Educational Savings Trust Program (the “Program”) to allow Account Owners and beneficiaries under the Program to qualify for federal tax benefits as participants in a qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended. The New Jersey Higher Education Student Assistance Authority (“HESAA”) is responsible for establishing and maintaining the Program on behalf of the State. HESAA serves as trustee of the Program, administers the Program and is authorized to establish investment policies, select investment managers and the Program Manager, and adopt regulations and provide for the performance of other functions necessary for the operation of the Program and the various plans included in the Program.

Pursuant to a service agreement, Franklin Distributors, LLC (FD, LLC) (formerly Franklin Templeton Distributors, Inc.), a wholly-owned subsidiary of Franklin Resources, Inc. serves as the Program Manager. FD, LLC provides, directly, or through affiliates, certain administrative services relating to the Program.

The Program is a private-purpose trust fund, which is a type of fiduciary fund. Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support a government's own programs. Revenues are mainly derived from investment income. Because the Program is a fiduciary fund, the Program's combined financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Under this method of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

These combined financial statements provide the combined financial results of the Portfolios, as defined below, managed by the New Jersey Department of the Treasury, Division of Investment (“Division of Investment”) which serves as investment manager for the investment options (“Division of Investment Options”) that are part of the NJBEST 529 College Savings Plan (“NJBEST” or “Plan”) but are no longer available to new shareholders. The Division of Investment Options consists of six portfolios ("Portfolios"). The NJ Better Educational Savings Portfolio, the original portfolio, is available only to accounts opened prior to July 1, 2000 and is open to all birth years. For accounts opened after July 1, 2000 and prior to March 17, 2003, there are the NJBEST Portfolios A – E. These are age-based portfolios where contributions are allocated based on the birth year of the Beneficiary as follows:

Portfolio	Birth Year
NJBEST Portfolio A	1985 and prior
NJBEST Portfolio B	1986 - 1989
NJBEST Portfolio C	1990 - 1993
NJBEST Portfolio D	1994 - 1997
NJBEST Portfolio E	1998 - 2003

All common stocks and certain other investments held by the Program and managed by the Division of Investment are maintained in a managed equity Portfolio called the NJBEST Pooled Equity Fund. Each of the six portfolios owns a portion of the NJBEST Pooled Equity Fund. The net assets and related dividend and interest income of the NJBEST Pooled Equity Fund have been allocated among the portfolios. This allows for a high level of diversification and reduces the costs of managing the Plan.

For information regarding the Franklin Templeton Managed Investment Options, including those within the Franklin Templeton 529 College Savings Plan, please see the combined financial statements entitled “New Jersey Better Educational Savings Trust Program – Franklin Templeton Managed Investment Options” or refer to the Program Description (previously known as Investor Handbook) for either the Franklin Templeton 529 College Savings Plan (for investors who invest through a financial advisor) or the NJBEST 529 College Savings Plan (for New Jersey residents investing without a financial advisor).

The Following summarizes the Program’s significant accounting policies.

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Financial Instrument Valuation

The Portfolios' investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Portfolios calculate the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE). Under compliance policies and procedures approved by HESAA, the Program's administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC). The Program may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities. Investments in non-registered money market funds and managed equity accounts are valued at the closing NAV.

Debt securities generally trade in the OTC market rather than on a securities exchange. The Program's pricing services use multiple valuation techniques to determine fair value. In instances where sufficient market activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, credit spreads, estimated default rates, anticipated market interest rate volatility, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value.

The Program has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Portfolios primarily employ a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

b. Income Taxes

The Program is established to be a qualified tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax, and does not expect to have any unrelated business income subject to tax. Accordingly, no provision has been made for income taxes.

The Portfolios may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of June 30, 2023, the Portfolios have determined that no tax liability is required in its combined financial statements related to uncertain tax positions for any open tax years, (or expected to be taken in future tax returns). Open tax years are those that remain subject to examination and are based on the statute of limitation in each jurisdiction which the fund invests.

c. Security Transactions, Investment Income and Expenses

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on an average cost basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Dividend income is recorded on the ex-dividend date.

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Security Transactions, Investment Income and Expenses (continued)

Inflation-indexed bonds are adjusted for inflation through periodic increases or decreases in the security's interest accruals, face amount, or principal redemption value, by amounts corresponding to the rate of inflation as measured by an index. Any increase or decrease in the face amount or principal redemption value will be included as interest income on the Combined Statement of Changes in Fiduciary Net Position.

d. Accounting Estimates

The preparation of combined financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the combined financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

e. Guarantees and Indemnifications

Under the Program's organizational documents, its trustee is indemnified by the Program against certain liabilities arising out of the performance of their duties to the Program. Additionally, in the normal course of business, the Program, on behalf of the Portfolios, enters into contracts with service providers that contain general indemnification clauses. The Program's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Program that have not yet occurred. Currently, the Program expects the risk of loss to be remote.

2. MANAGEMENT AGREEMENTS

The Portfolios pay a total program management fee of 0.40% per annum based on the average daily net assets of each portfolio.

Franklin Templeton Services, LLC (“FTS”) an affiliate of FD, LLC, provides administrative services for the Program. Franklin Templeton Investor Services, LLC (“FTIS”), an affiliate of FD, LLC and FTS, performs transfer agency services for the Program. No fees are paid by the Division of Investment Options for administrative or transfer agency services.

3. INVESTMENTS

At June 30, 2023, net unrealized appreciation of portfolio investments was $40,672,665 consisting of gross unrealized appreciation of $41,317,043 and gross unrealized depreciation of $644,378.

Purchases and sales of Portfolio securities (excluding short term securities) for the year ended June 30, 2023, aggregated $0 and $0, respectively.

For a list of each Portfolio’s investments at June 30, 2023, please see the Schedule of Fiduciary Net Position for each Portfolio in the Supplemental Information.

3. INVESTMENTS (continued)

As of June 30, 2023, the investments held by the Portfolios consisted of the following:

	Shares	Cost	Value
Equity			
NJBEST Pooled Equity Fund	1,147,673	$9,906,209	$51,189,411
	Principal Amount		
Fixed Income			
AT&T Inc., senior bond, 6.50%, 11/15/36	$3,000,000	3,593,127	3,179,925
U.S. Treasury Bonds, 6.25%, 8/15/23	1,100,000	1,101,708	1,101,145
U.S. Treasury Bonds, 6.00%, 2/15/26	1,000,000	1,000,182	1,034,023
U.S. Treasury Notes, Index Linked, 2.375%, 1/15/25	9,000,000	14,565,396	14,334,783
	Shares		
Short Term Investment			
[a]State of New Jersey Cash Management Fund, 5.10%	42,547,556	42,547,556	42,547,556
		$72,714,178	$113,386,843

[a]The rate shown is the average annualized monthly rate of return at year end.

4. INVESTMENT RISKS

Certain investments are subject to a variety of investment risks. GASB requires that entities disclose certain essential risk information about deposits and investments.

a. Interest Rate and Credit Risk

Interest rate risk is the risk that the value of bond investments will decrease as a result of a rise in interest rates. Credit risk refers to the ability of the issuer to make timely payments of interest and principal. The following instruments were held by the Portfolios at June 30, 2023, were exposed to interest rate and credit risk:

Investment	Value	Credit Rating
Fixed Income		
AT&T Inc., senior bond, 6.50%, 11/15/36	$3,179,925	BBB
U.S. Treasury Bonds, 6.25%, 8/15/23	1,101,145	AA+
U.S. Treasury Bonds, 6.00%, 2/15/26	1,034,023	AA+
U.S. Treasury Notes, Index Linked, 2.375%, 1/15/25	14,334,783	AA+

Investment	Value	Average Maturity
Short Term Investment		
[a]State of New Jersey Cash Management Fund, 5.10%	$42,547,556	0.17 years

[a]The rate shown is the average annualized monthly rate of return at year end.

b. Custodial Credit Risk

Custodial credit risk, as it relates to investments, is the risk that in the event of the failure of the custodian, the Division of Investment Options will not be able to recover the value of investments that are in the possession of the custodian. The Division of Investment Options' investment securities are not exposed to custodial credit risk as they are held in a segregated trust account with the custodian.

5. FAIR VALUE MEASUREMENTS

The Program follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Program's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Program's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Program's own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

At June 30, 2023, the Portfolios' investments in the NJBEST Pooled Equity Fund was fair valued at its closing NAV. Fair value guidance under GASB allows for a practical expedient when NAV is used to measure fair value. Accordingly, when this approach is used, those fair values are not considered part of the fair value hierarchy. The Portfolios' remaining investments in financial instruments carried at fair value were valued using Level 2 inputs.

6. SUBSEQUENT EVENTS

The Program has evaluated subsequent events through September 15, 2023, the date the financial statements were available to be issued, and determined that no events have occurred that require disclosure.

SUPPLEMENTAL INFORMATION

The following information is presented for purposes of additional analysis and is not a required part of the basic financial statements of the New Jersey Better Educational Savings Trust Program, New Jersey Department of Treasury, Division of Investment Managed Investment Options. It shows financial information relating to the investment Portfolios, which were included in the Program during the year ended June 30, 2023.

Supplemental Information

Schedules of Fiduciary Net Position

June 30, 2023

	NJ Best Trust A	NJ Best Trust B	NJ Best Trust C	NJ Best Trust D
Assets:				
Investments, at fair value:				
Equity				
NJBEST Pooled Equity Fund	$ 260,599	$ 563,883	$ 2,717,723	$ 4,895,568
Fixed Income				
AT&T Inc., senior bond, 6.50%, 11/15/36	—	—	1,059,975	1,059,975
U.S. Treasury Bonds, 6.25%, 8/15/23	—	—	—	600,624
U.S. Treasury Bonds, 6.00%, 2/15/26	—	—	—	—
U.S. Treasury Notes, Index Linked, 2.375%, 1/15/25	—	—	—	—
Total fixed income	—	—	1,059,975	1,660,599
Short term investment				
[a]State of New Jersey Cash Management Fund, 5.10%	863,374	1,944,594	8,119,634	10,829,968
Total Investments	1,123,973	2,508,477	11,897,332	17,386,135
Interest receivable	—	—	8,306	22,394
Receivable from Plan shares sold	—	—	125	200
Total assets	1,123,973	2,508,477	11,905,763	17,408,729
Liabilities:				
Accrued expenses	383	853	4,066	5,990
Payable for Plan shares redeemed	—	—	1,100	—
Total liabilities	383	853	5,166	5,990
Fiduciary net position held in trust for Account Owners in the Program	$ 1,123,590	$ 2,507,624	$ 11,900,597	$ 17,402,739
Shares outstanding	59,338	114,611	484,074	650,451
Net asset value per share	$ 18.94	$ 21.88	$ 24.58	$ 26.75
Investments at cost	$ 912,551	$ 2,031,841	$ 9,856,762	$ 13,519,163

[a]The rate shown is the average annualized monthly rate of return at year end.

Schedules of Fiduciary Net Position (continued)

June 30, 2023

	NJ Best Trust E	NJ Better Educational Saving Trust	Total
Assets:			
Investments, at fair value:			
Equity			
NJBEST Pooled Equity Fund	$ 42,058,726	$ 692,912	$ 51,189,411
Fixed Income			
AT&T Inc., senior bond, 6.50%, 11/15/36	1,059,975	—	3,179,925
U.S. Treasury Bonds, 6.25%, 8/15/23	500,521	—	1,101,145
U.S. Treasury Bonds, 6.00%, 2/15/26	1,034,023	—	1,034,023
U.S. Treasury Notes, Index Linked, 2.375%, 1/15/25	14,334,783	—	14,334,783
Total fixed income	16,929,302	—	19,649,876
Short term investment			
[a]State of New Jersey Cash Management Fund, 5.10%	$ 20,091,198	$ 698,788	$ 42,547,556
Total Investments	79,079,226	1,391,700	113,386,843
Interest receivable	201,286	—	231,986
Receivable from Plan shares sold	1,445	—	1,770
Total assets	79,281,957	1,391,700	113,620,599
Liabilities:			
Accrued expenses	28,414	492	40,198
Payable for Plan shares redeemed	22,320	—	23,420
Total liabilities	50,734	492	63,618
Fiduciary net position held in trust for Account Owners in the Program	$ 79,231,223	$ 1,391,208	$ 113,556,981
Shares outstanding	2,666,936	49,723	
Net asset value per share	$ 29.71	$ 27.98	
Investments at cost	$ 45,554,042	$ 839,819	$ 72,714,178

[a]The rate shown is the average annualized monthly rate of return at year end.

Supplemental Information

Schedules of Changes in Fiduciary Net Position

For the year ended June 30, 2023

	NJ Best Trust A	NJ Best Trust B	NJ Best Trust C
Additions:			
Subscriptions	$ 133,827	$ 37,991	$ 314,286
Investment earnings:			
Dividend income	30,538	71,262	306,281
Interest income	—	—	54,429
Net realized gain (loss) from sales of investments	(78)	(194)	(853)
Net change in unrealized appreciation (depreciation) on investments	48,145	104,181	439,047
Total investment earnings (losses)	78,605	175,249	798,904
Investment costs:			
Program management fees (Note 2)	(4,237)	(9,812)	(47,571)
Total investment costs	(4,237)	(9,812)	(47,571)
Net investment earnings (losses)	74,368	165,437	751,333
Total additions	208,195	203,428	1,065,619
Deductions:			
Redemptions	115,876	160,638	1,239,369
Total deductions	115,876	160,638	1,239,369
Changes in fiduciary net position held in trust for Account Owners in the Program	$ 92,319	$ 42,790	$ (173,750)
Fiduciary net position - beginning of year	1,031,271	2,464,834	12,074,347
Fiduciary net position - end of year	$ 1,123,590	$ 2,507,624	$ 11,900,597

Schedules of Changes in Fiduciary Net Position (continued)

For the year ended June 30, 2023

	NJ Best Trust D	NJ Best Trust E	NJ Better Educational Saving Trust
Additions:			
Subscriptions	$ 803,193	$ 4,496,124	$ 201,540
Investment earnings:			
Dividend income	418,189	975,816	26,960
Interest income	88,093	1,114,718	—
Net realized gain (loss) from sales of investments	(1,214)	(3,309)	(79)
Net change in unrealized appreciation (depreciation) on investments	823,756	6,699,262	128,016
Total investment earnings (losses)	1,328,824	8,786,487	154,897
Investment costs:			
Program management fees (Note 2)	(70,638)	(333,866)	(5,461)
Total investment costs	(70,638)	(333,866)	(5,461)
Net investment earnings (losses)	1,258,186	8,452,621	149,436
Total additions	2,061,379	12,948,745	350,976
Deductions:			
Redemptions	3,326,628	31,676,658	411,759
Total deductions	3,326,628	31,676,658	411,759
Changes in fiduciary net position held in trust for Account Owners in the Program	$ (1,265,249)	$ (18,727,913)	$ (60,783)
Fiduciary net position - beginning of year	18,667,988	97,959,136	1,451,991
Fiduciary net position - end of year	$ 17,402,739	$ 79,231,223	$ 1,391,208

Schedules of Changes in Fiduciary Net Position (continued)

For the year ended June 30, 2023

	Total
Additions:	
Subscriptions	$ 5,986,961
Investment earnings:	
Dividend income	1,829,046
Interest income	1,257,240
Net realized gain (loss) from sales of investments	(5,727)
Net change in unrealized appreciation (depreciation) on investments	8,242,407
Total investment earnings (losses)	11,322,966
Investment costs:	
Program management fees (Note 2)	(471,585)
Total investment costs	(471,585)
Net investment earnings (losses)	10,851,381
Total additions	16,838,342
Deductions:	
Redemptions	36,930,928
Total deductions	36,930,928
Changes in fiduciary net position held in trust for Account Owners in the Program	$(20,092,586)
Fiduciary net position - beginning of year	133,649,567
Fiduciary net position - end of year	$113,556,981

Supplemental Information

NJBest Pooled Equity Fund

Statement of Investments, June 30, 2023

	Shares	Value
Common Stocks 97.2%		
Aerospace & Defense 1.7%		
Boeing Co. (The)	1,100	$232,276
Lockheed Martin Corp.	250	115,095
Raytheon Technologies Corp.	3,648	357,358
Textron, Inc.	2,510	169,751
		874,480
Air Freight & Logistics 0.9%		
FedEx Corp.	1,100	272,690
United Parcel Service, Inc., B	1,000	179,250
		451,940
Automobile Components 0.5%		
Patrick Industries, Inc.	3,120	249,600
Automobiles 1.6%		
Tesla, Inc.	2,175	569,350
Thor Industries, Inc.	2,439	252,436
		821,786
Banks 4.1%		
Bank of America Corp.	13,753	394,574
Citigroup, Inc.	3,211	147,834
JPMorgan Chase & Co.	6,461	939,688
SVB Financial Group	395	204
Truist Financial Corp.	5,292	160,612
Wells Fargo & Co.	7,401	315,875
Zions Bancorp NA	4,400	118,184
		2,076,971
Beverages 0.9%		
Coca-Cola Co. (The)	3,666	220,767
PepsiCo, Inc.	1,282	237,452
		458,219
Biotechnology 1.8%		
AbbVie, Inc.	2,790	375,897
Biogen, Inc.	411	117,073
Horizon Therapeutics plc	1,900	195,415
Vertex Pharmaceuticals, Inc.	700	246,337
		934,722
Broadline Retail 3.2%		
Amazon.com, Inc.	11,920	1,553,891
eBay, Inc.	1,800	80,442
		1,634,333
Capital Markets 0.8%		
Goldman Sachs Group, Inc. (The)	800	258,032
Intercontinental Exchange, Inc.	1,300	147,004
		405,036
Chemicals 1.8%		
Air Products and Chemicals, Inc.	220	65,897
Albemarle Corp.	1,600	356,944
Corteva, Inc.	2,200	126,060

	Shares	Value
Common Stocks (continued)		
Chemicals (continued)		
DuPont de Nemours, Inc.	813	$58,081
Ecolab, Inc..	240	44,806
International Flavors & Fragrances, Inc..	370	29,448
Linde plc	490	186,729
Sherwin-Williams Co. (The)	260	69,035
		937,000
Commercial Services & Supplies 1.0%		
Pitney Bowes, Inc.	16,200	57,348
Republic Services, Inc., A	1,400	214,438
Waste Management, Inc..	1,440	249,725
		521,511
Communications Equipment 0.8%		
Cisco Systems, Inc.	8,160	422,198
Construction & Engineering 1.6%		
Limbach Holdings, Inc.	33,900	838,347
Construction Materials 0.7%		
Martin Marietta Materials, Inc.	800	369,352
Consumer Finance 0.2%		
American Express Co.	600	104,520
Consumer Staples Distribution & Retail 2.5%		
Costco Wholesale Corp.	1,076	579,297
Dollar General Corp.	510	86,588
Target Corp.	931	122,799
Walmart, Inc.	3,071	482,699
		1,271,383
Diversified Telecommunication Services 0.6%		
AT&T, Inc..	10,100	161,095
Verizon Communications, Inc.	4,216	156,793
		317,888
Electric Utilities 1.6%		
Constellation Energy Corp.	1,199	109,768
Exelon Corp..	3,600	146,664
NextEra Energy, Inc.	5,128	380,498
PPL Corp..	2,000	52,920
Xcel Energy, Inc..	2,100	130,557
		820,407
Electrical Equipment 0.9%		
Rockwell Automation, Inc.	1,330	438,169
Electronic Equipment, Instruments & Components 0.3%		
Keysight Technologies, Inc..	1,000	167,450
Entertainment 1.1%		
Netflix, Inc.	470	207,030
Walt Disney Co. (The)	3,706	330,872
Warner Bros Discovery, Inc.	2,443	30,635
		568,537
Financial Services 4.4%		
Berkshire Hathaway, Inc., B.	2,571	876,711
Fidelity National Information Services, Inc..	900	49,230

	Shares	Value
Common Stocks (continued)		
Financial Services (continued)		
Fiserv, Inc.	770	$97,135
Mastercard, Inc., A	1,409	554,160
PayPal Holdings, Inc.	1,930	128,789
Visa, Inc., A.	2,241	532,193
		2,238,218
Food Products 0.5%		
Freshpet, Inc.	383	25,205
Mondelez International, Inc., A.	3,014	219,841
		245,046
Ground Transportation 0.5%		
Knight-Swift Transportation Holdings, Inc., A	1,210	67,228
Union Pacific Corp.	800	163,696
		230,924
Health Care Equipment & Supplies 2.1%		
Abbott Laboratories.	2,085	227,307
Baxter International, Inc.	1,300	59,228
Becton Dickinson & Co..	767	202,495
Boston Scientific Corp.	2,600	140,634
Embecta Corp.	153	3,305
GE HealthCare Technologies, Inc.	654	53,131
Medtronic plc	4,510	397,331
		1,083,431
Health Care Providers & Services 2.9%		
AmerisourceBergen Corp.	1,220	234,765
Cigna Group (The)	591	165,835
CVS Health Corp.	2,700	186,651
Humana, Inc.	895	400,181
UnitedHealth Group, Inc.	1,063	510,920
		1,498,352
Health Care Technology 0.0%†		
Teladoc Health, Inc.	365	9,242
Hotels, Restaurants & Leisure 2.2%		
Booking Holdings, Inc.	100	270,033
Hilton Worldwide Holdings, Inc.	580	84,419
McDonald's Corp.	1,428	426,129
Starbucks Corp.	2,111	209,116
Wynn Resorts Ltd.	1,310	138,349
		1,128,046
Household Products 1.5%		
Church & Dwight Co., Inc.	40	4,009
Colgate-Palmolive Co.	530	40,832
Procter & Gamble Co. (The)	4,807	729,414
		774,255
Industrial Conglomerates 1.0%		
General Electric Co.	1,962	215,526
Honeywell International, Inc.	1,300	269,750
		485,276
Industrial REITs 0.5%		
Prologis, Inc..	1,887	231,403

	Shares	Value
Common Stocks (continued)		
Insurance 1.8%		
Chubb Ltd.	1,100	$211,816
Marsh & McLennan Cos., Inc.	1,200	225,696
Progressive Corp. (The)	1,500	198,555
Prudential Financial, Inc.	3,100	273,482
Trupanion, Inc.	1,260	24,797
		934,346
Interactive Media & Services 5.7%		
Alphabet, Inc., A	8,200	981,540
Alphabet, Inc., C	8,720	1,054,858
Meta Platforms, Inc., A	3,065	879,594
		2,915,992
IT Services 0.8%		
Accenture plc, A	865	266,922
International Business Machines Corp.	1,030	137,824
Kyndryl Holdings, Inc.	206	2,736
		407,482
Life Sciences Tools & Services 1.0%		
Danaher Corp.	870	208,800
Illumina, Inc.	245	45,935
Thermo Fisher Scientific, Inc.	480	250,440
		505,175
Machinery 1.1%		
Caterpillar, Inc.	1,400	344,470
Deere & Co.	600	243,114
		587,584
Media 0.8%		
Comcast Corp., A	9,800	407,190
Metals & Mining 0.0%†		
Hecla Mining Co.	270	1,391
Multi-Utilities 0.2%		
Dominion Energy, Inc.	2,400	124,296
Office REITs 0.2%		
Alexandria Real Estate Equities, Inc.	700	79,443
Oil, Gas & Consumable Fuels 4.1%		
Chevron Corp.	3,861	607,528
ConocoPhillips	4,300	445,523
Exxon Mobil Corp.	7,883	845,452
ONEOK, Inc.	1,540	95,049
Williams Cos., Inc. (The)	3,600	117,468
		2,111,020
Passenger Airlines 0.2%		
Southwest Airlines Co.	2,900	105,009
Pharmaceuticals 7.2%		
AstraZeneca plc, ADR	3,100	221,867
Bristol-Myers Squibb Co.	5,074	324,482
Eisai Co. Ltd., ADR	5,200	88,140
Eli Lilly & Co.	1,908	894,814
Johnson & Johnson	5,030	832,566
Merck & Co., Inc.	8,078	932,120

	Shares	Value
Common Stocks (continued)		
Pharmaceuticals (continued)		
Novo Nordisk A/S, ADR	585	$94,670
Pfizer, Inc.	7,462	273,706
Teligent, Inc.	8,370	—
Viatris, Inc.	1,422	14,192
		3,676,557
Professional Services 0.5%		
Automatic Data Processing, Inc.	1,109	243,747
Residential REITs 0.1%		
AvalonBay Communities, Inc.	285	53,942
Semiconductors & Semiconductor Equipment 7.0%		
Broadcom, Inc.	1,225	1,062,602
Intel Corp.	4,121	137,806
Lam Research Corp.	270	173,572
Microchip Technology, Inc.	1,854	166,100
NVIDIA Corp.	3,220	1,362,125
QUALCOMM, Inc.	2,335	277,958
Skyworks Solutions, Inc.	1,380	152,752
Texas Instruments, Inc.	1,405	252,928
		3,585,843
Software 9.4%		
Adobe, Inc.	540	264,055
Autodesk, Inc.	511	104,556
Intuit, Inc.	380	174,112
Microsoft Corp.	10,124	3,447,627
Oracle Corp.	2,500	297,725
Salesforce, Inc.	1,656	349,846
ServiceNow, Inc.	295	165,781
		4,803,702
Specialized REITs 1.0%		
American Tower Corp.	1,267	245,722
Crown Castle, Inc.	600	68,364
Equinix, Inc.	250	195,985
		510,071
Specialty Retail 2.2%		
AutoZone, Inc.	50	124,668
Home Depot, Inc. (The)	1,393	432,721
Lowe's Cos., Inc.	950	214,415
Ross Stores, Inc.	820	91,947
TJX Cos., Inc. (The)	2,977	252,420
		1,116,171
Technology Hardware, Storage & Peripherals 8.7%		
Apple, Inc.	22,926	4,446,956
Textiles, Apparel & Luxury Goods 0.4%		
NIKE, Inc., B	2,001	220,850
Trading Companies & Distributors 0.6%		
United Rentals, Inc.	670	298,398
Total Common Stocks (Cost $28,970,873)		**49,743,207**

	Shares	Value
Investments In Underlying Funds 2.7%		
Money Market Funds 2.7%		
[a]State of New Jersey Cash Management Fund, 5.10%	1,391,202	$1,391,202
Total Investments In Underlying Funds (Cost $1,391,199)		**1,391,202**
	Warrants	
Warrants 0.0%†		
Health Care Providers & Services 0.0%†		
Option Care Health, Inc., 6/30/25	2,850	7,991
		7,991
Oil, Gas & Consumable Fuels 0.0%†		
Denbury, Inc., 9/18/23	335	17,772
Total Warrants (Cost $294,867)		**25,763**
Total Long Term Investments (Cost $30,656,939)		**51,160,172**
Total Investments (Cost $30,656,939) 99.9%		**$51,160,172**
Other Assets, less Liabilities 0.1%		**29,239**
Net Assets 100.0%		**$51,189,411**

†Rounds to less than 0.1% of net assets.
[a]The rate shown is the average annualized monthly rate of return at year end.