

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2005 calendar year, or tax year beginning, 2005, and ending

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. Please use IRS label or print or type. See specific instructions. INTERNAT'L SOC OF ARTHROSCOPY, KNEE SURG C/O MCJ CONSULTING 2678 BISHOP DRIVE #250 SAN RAMON, CA 94583-2338. D Employer Identification Number 23-7379132. E Telephone number. F Accounting method: X Cash, Accrual, Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations. H (a) Is this a group return for affiliates? Yes No X No. H (b) If 'Yes,' enter number of affiliates. H (c) Are all affiliates included? Yes No. H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No X No. I Group Exemption Number. M Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

G Web site: N/A

J Organization type (check only one) X 501(c) 3 (insert no) 4947(a)(1) or 527

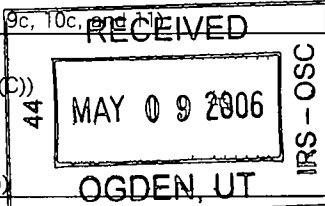
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 2, 527, 839.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

SCANNED JUL 18 2006

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less direct expenses; 9c Net income; 10a Gross sales of inventory; 10b Less cost of goods sold; 10c Gross profit or (loss); 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.



0915

**Part II Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22			
23	Specific assistance to individuals (att sch)	23			
24	Benefits paid to or for members (att sch)	24			
25	Compensation of officers, directors, etc	25	0.	0.	0.
26	Other salaries and wages	26			
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30	61,709.		61,709.
31	Accounting fees	31			
32	Legal fees	32			
33	Supplies	33	8,346.	8,346.	
34	Telephone	34	2,881.	2,881.	
35	Postage and shipping	35	3,197.	3,197.	
36	Occupancy	36	33,773.	33,773.	
37	Equipment rental and maintenance	37			
38	Printing and publications	38	187,745.	185,539.	2,206.
39	Travel	39	7,943.	7,943.	
40	Conferences, conventions, and meetings	40	1,143,212.	1,119,304.	23,908.
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42			
43	Other expenses not covered above (itemize)				
a	SEE STATEMENT 2	43a	324,954.	324,954.	
b	-----	43b			
c	-----	43c			
d	-----	43d			
e	-----	43e			
f	-----	43f			
g	-----	43g			
44	<b>Total functional expenses</b> Add lines 22 through 43 (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	1,773,760.	1,304,843.	407,208.
					61,709.

**Joint Costs.** Check  if you are following SOP 98-2  
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_, (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

**Part III Statement of Program Service Accomplishments**

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>INFO-FIELD OF ARTHROSCOPY</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a <u>THE SOCIETY SPONSORS A BIENNIAL EDUCATIONAL MEDICAL CONFERENCE TO DISSEMINATE THE DEVELOPMENT OF PROCEDURES RELATING TO ARTHROSCOPY</u> ----- ----- ----- (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	1,119,304.
b <u>THE SOCIETY PUBLISHES A PROFESSIONAL JOURNAL TO PROVIDE A FORUM FOR THE STUDY AND THE DISSEMINATION OF ADVANCES IN ARTHROSCOPY</u> ----- ----- ----- (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	185,539.
c ----- ----- ----- (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
d ----- ----- ----- (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
e Other program services (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) ▶	<b>1,304,843.</b>

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**Part IV Balance Sheets** (See Instructions)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
ASSETS	<b>45</b> Cash — non-interest-bearing		<b>45</b>	
	<b>46</b> Savings and temporary cash investments	674,321.	<b>46</b>	597,670.
	<b>47a</b> Accounts receivable	<b>47a</b>		
	<b>b</b> Less allowance for doubtful accounts	<b>47b</b>		<b>47c</b>
	<b>48a</b> Pledges receivable	<b>48a</b>		
	<b>b</b> Less allowance for doubtful accounts	<b>48b</b>		<b>48c</b>
	<b>49</b> Grants receivable		<b>49</b>	
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule)		<b>50</b>	
	<b>51a</b> Other notes & loans receivable (attach sch)	<b>51a</b>		
	<b>b</b> Less allowance for doubtful accounts	<b>51b</b>		<b>51c</b>
	<b>52</b> Inventories for sale or use		<b>52</b>	
	<b>53</b> Prepaid expenses and deferred charges		<b>53</b>	
	<b>54</b> Investments — securities (attach schedule) SEE ST 3 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	1,113,558.	<b>54</b>	2,007,560.
	<b>55a</b> Investments — land, buildings, & equipment basis	<b>55a</b>		
	<b>b</b> Less accumulated depreciation (attach schedule)	<b>55b</b>		<b>55c</b>
	<b>56</b> Investments — other (attach schedule) SEE STMT 4	23,214.	<b>56</b>	24,231.
	<b>57a</b> Land, buildings, and equipment, basis	<b>57a</b>		
	<b>b</b> Less accumulated depreciation (attach schedule)	<b>57b</b>		<b>57c</b>
<b>58</b> Other assets (describe <input type="checkbox"/> _____)		<b>58</b>		
<b>59 Total assets</b> (must equal line 74). Add lines 45 through 58	1,811,093.	<b>59</b>	2,629,461.	
LIABILITIES	<b>60</b> Accounts payable and accrued expenses		<b>60</b>	
	<b>61</b> Grants payable		<b>61</b>	
	<b>62</b> Deferred revenue		<b>62</b>	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule)		<b>63</b>	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule)		<b>64a</b>	
	<b>b</b> Mortgages and other notes payable (attach schedule)		<b>64b</b>	
	<b>65</b> Other liabilities (describe <input type="checkbox"/> _____)		<b>65</b>	
<b>66 Total liabilities.</b> Add lines 60 through 65	0.	<b>66</b>	0.	
NET ASSETS OR FUND BALANCES	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	<b>67</b> Unrestricted	1,802,525.	<b>67</b>	2,620,562.
	<b>68</b> Temporarily restricted	8,568.	<b>68</b>	8,899.
	<b>69</b> Permanently restricted		<b>69</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74.			
	<b>70</b> Capital stock, trust principal, or current funds		<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund		<b>71</b>	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds		<b>72</b>	
	<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	1,811,093.	<b>73</b>	2,629,461.
	<b>74 Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	1,811,093.	<b>74</b>	2,629,461.

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Form 990 (2005)

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements		<b>a</b>	2,592,128.
<b>b</b>	Amounts included on line a but not on Part I, line 12			
	1 Net unrealized gains on investments	<b>b1</b>	64,289.	
	2 Donated services and use of facilities	<b>b2</b>		
	3 Recoveries of prior year grants	<b>b3</b>		
	4 Other (specify) _____	<b>b4</b>		
	Add lines <b>b1</b> through <b>b4</b>		<b>b</b>	64,289.
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>		<b>c</b>	2,527,839.
<b>d</b>	Amounts included on Part I, line 12, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>		
	2 Other (specify) _____	<b>d2</b>		
	Add lines <b>d1</b> and <b>d2</b>		<b>d</b>	
<b>e</b>	<b>Total revenue</b> (Part I, line 12) Add lines <b>c</b> and <b>d</b>		<b>e</b>	2,527,839.

**Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements		<b>a</b>	1,773,760.
<b>b</b>	Amounts included on line a but not on Part I, line 17.			
	1 Donated services and use of facilities	<b>b1</b>		
	2 Prior year adjustments reported on Part I, line 20	<b>b2</b>		
	3 Losses reported on Part I, line 20	<b>b3</b>		
	4 Other (specify) _____	<b>b4</b>		
	Add lines <b>b1</b> through <b>b4</b>		<b>b</b>	
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>		<b>c</b>	1,773,760.
<b>d</b>	Amounts included on Part I, line 17, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>		
	2 Other (specify) _____	<b>d2</b>		
	Add lines <b>d1</b> and <b>d2</b>		<b>d</b>	
<b>e</b>	<b>Total expenses</b> (Part I, line 17) Add lines <b>c</b> and <b>d</b>		<b>e</b>	1,773,760.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 5		0.	0.	0.
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<b>Part VI Other Information</b> <i>(continued)</i>		Yes	No
<b>82a</b> Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	<b>82a</b>	X	
<b>b</b> If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	<b>82b</b>		
<b>83a</b> Did the organization comply with the public inspection requirements for returns and exemption applications?	<b>83a</b>	X	
<b>b</b> Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<b>83b</b>	X	
<b>84a</b> Did the organization solicit any contributions or gifts that were not tax deductible?	<b>84a</b>		X
<b>b</b> If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>84b</b>	N/A	
<b>85 501(c)(4), (5), or (6) organizations</b> <b>a</b> Were substantially all dues nondeductible by members?	<b>85a</b>	N/A	
<b>b</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?	<b>85b</b>	N/A	
If 'Yes' was answered to either 85a or 85b, <b>do not</b> complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
<b>c</b> Dues, assessments, and similar amounts from members	<b>85c</b>	N/A	
<b>d</b> Section 162(e) lobbying and political expenditures	<b>85d</b>	N/A	
<b>e</b> Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	<b>85e</b>	N/A	
<b>f</b> Taxable amount of lobbying and political expenditures (line 85d less 85e)	<b>85f</b>	N/A	
<b>g</b> Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	<b>85g</b>	N/A	
<b>h</b> If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	<b>85h</b>	N/A	
<b>86 501(c)(7) organizations</b> Enter <b>a</b> Initiation fees and capital contributions included on line 12	<b>86a</b>	N/A	
<b>b</b> Gross receipts, included on line 12, for public use of club facilities	<b>86b</b>	N/A	
<b>87 501(c)(12) organizations</b> Enter <b>a</b> Gross income from members or shareholders	<b>87a</b>	N/A	
<b>b</b> Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>87b</b>	N/A	
<b>88</b> At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	<b>88</b>		X
<b>89a 501(c)(3) organizations</b> Enter. Amount of tax imposed on the organization during the year under section 4911 ▶ <u>0.</u> , section 4912 ▶ <u>0.</u> , section 4955 ▶ <u>0.</u>			
<b>b 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	<b>89b</b>		X
<b>c</b> Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			0.
<b>d</b> Enter. Amount of tax on line 89c, above, reimbursed by the organization			0.
<b>90a</b> List the states with which a copy of this return is filed ▶ <u>NONE</u>			
<b>b</b> Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	<b>90b</b>		0
<b>91a</b> The books are in care of ▶ <u>MICHELE JOHNSON</u> Telephone number ▶ <u>925-807-1197</u> Located at ▶ <u>2678 BISHOP DR, STE250, SAN RAMON CA</u> ZIP + 4 ▶ <u>94583-2338</u>			
<b>b</b> At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country ▶ _____	<b>91b</b>		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Statements			
<b>c</b> At any time during the calendar year, did the organization maintain an office outside of the United States? If 'Yes,' enter the name of the foreign country ▶ _____	<b>91c</b>		X
<b>92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041</b> - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ <b>92</b>   <u>N/A</u> ▶ <input type="checkbox"/>   <u>N/A</u>			



**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Organization Exempt Under**  
**Section 501(c)(3)**

OMB No 1545 0047

**(Except Private Foundation) and Section 501(e), 501(f), 501(k),**  
**501(n), or 4947(a)(1) Nonexempt Charitable Trust**

**2005**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information — (See separate instructions.)**  
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Name of the organization: **INTERNAT'L SOC OF ARTHROSCOPY, KNEE SURG**  
**C/O MCJ CONSULTING** Employer identification number: **23-7379132**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶		0		

**Part II — A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See instructions. List each one (whether individuals or firms) if there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
MCJ CONSULTING 2678 BISHOP DRIVE 250 SAN RAMON, CA 94583	MANAGEMENT	190,969.
Total number of others receiving over \$50,000 for professional services ▶		0

**Part II — B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None'. See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶		0

**Part III** **Statements About Activities** (See instructions)

	Yes	No
<b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)  Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
<b>2</b> During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
<b>a</b> Sale, exchange, or leasing of property?		X
<b>b</b> Lending of money or other extension of credit?		X
<b>c</b> Furnishing of goods, services, or facilities?		X
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
<b>e</b> Transfer of any part of its income or assets?		X
<b>3a</b> Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.)		X
<b>b</b> Do you have a section 403(b) annuity plan for your employees?		X
<b>c</b> During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
<b>4a</b> Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
<b>b</b> Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

**Part IV** **Reason for Non-Private Foundation Status** (See instructions.)

The organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5**  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6**  A school. Section 170(b)(1)(A)(ii) (Also complete Part V.)
- 7**  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii)
- 8**  A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9**  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state ▶ \_\_\_\_\_**
- 10**  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A.)
- 11a**  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
- 11b**  A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
- 12**  An organization that normally receives **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions – subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13**  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization. ▶  Type 1  Type 2  Type 3

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14**  An organization organized and operated to test for public safety Section 509(a)(4) (See instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.*

**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	829,792.	443,617.	56,540.	192,935.	1,522,884.
<b>16</b> Membership fees received	294,510.	248,015.	247,485.	282,880.	1,072,890.
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	511,420.	941,054.	447,644.	1,094,622.	2,994,740.
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	27,911.	20,769.	17,393.	53,738.	119,811.
<b>19</b> Net income from unrelated business activities not included in line 18					0.
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					0.
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					0.
<b>23</b> Total of lines 15 through 22	1,663,633.	1,653,455.	769,062.	1,624,175.	5,710,325.
<b>24</b> Line 23 minus line 17	1,152,213.	712,401.	321,418.	529,553.	2,715,585.
<b>25</b> Enter 1% of line 23	16,636.	16,535.	7,691.	16,242.	
<b>26 Organizations described on lines 10 or 11:</b>	a Enter 2% of amount in column (e), line 24			N/A	<b>26a</b>
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.					<b>26b</b>
<b>c</b> Total support for section 509(a)(1) test. Enter line 24, column (e).					<b>26c</b>
<b>d</b> Add: Amounts from column (e) for lines <b>18</b> _____ <b>19</b> _____ <b>22</b> _____ <b>26b</b> _____					<b>26d</b>
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b>
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> %
<b>27 Organizations described on line 12:</b>					
<b>a</b> For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year. (2004) _____ 430,417. (2003) _____ 298,167. (2002) _____ 56,540. (2001) _____ 164,333.					
<b>b</b> For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year. (2004) _____ 0. (2003) _____ 0. (2002) _____ 0. (2001) _____ 0.					
<b>c</b> Add: Amounts from column (e) for lines <b>15</b> _____ 1,522,884. <b>16</b> _____ 1,072,890. <b>17</b> _____ 2,994,740. <b>20</b> _____ <b>21</b> _____					<b>27c</b> 5,590,514.
<b>d</b> Add: Line 27a total _____ 949,457. and line 27b total _____ 0.					<b>27d</b> 949,457.
<b>e</b> Public support (line 27c total minus line 27d total)					<b>27e</b> 4,641,057.
<b>f</b> Total support for section 509(a)(2) test. Enter amount from line 23, column (e)				<b>27f</b> 5,710,325.	
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					<b>27g</b> 81.27 %
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27h</b> 2.10 %
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

**Part V Private School Questionnaire** (See instructions )  
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
<b>30</b> Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement ) ----- ----- -----		
<b>32</b> Does the organization maintain the following		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?		
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions?  If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement ) ----- -----		
<b>33</b> Does the organization discriminate by race in any way with respect to.		
<b>a</b> Students' rights or privileges?		
<b>b</b> Admissions policies?		
<b>c</b> Employment of faculty or administrative staff?		
<b>d</b> Scholarships or other financial assistance?		
<b>e</b> Educational policies?		
<b>f</b> Use of facilities?		
<b>g</b> Athletic programs?		
<b>h</b> Other extracurricular activities?  If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement ) ----- -----		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency?		
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
<b>35</b> Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation		





STATEMENT 1  
FORM 990, PART I, LINE 20  
OTHER CHANGES IN NET ASSETS OR FUND BALANCES

MARKET FLUCUATIONS	\$ 64,289.
TOTAL	<u>\$ 64,289.</u>

STATEMENT 2  
FORM 990, PART II, LINE 43  
OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
ADMINISTRATIVE SERV	111,414.		111,414.	
COMMITTEES	55,928.		55,928.	
COMPUTER EXPENSES	6,626.		6,626.	
INSURANCE	16,052.		16,052.	
INVESTMENT FEES	22,875.		22,875.	
MARKETING	5,523.		5,523.	
MEMBERSHIP	28,992.		28,992.	
MISC & BANK CHARGES	16,925.		16,925.	
OUTSIDE SERVICES	6,120.		6,120.	
PROFESSIONAL FEES	3,100.		3,100.	
PROFESSIONAL FEES-WEB SITE	7,708.		7,708.	
RESEARCH PROJECT	9,375.		9,375.	
TEMPORARY HELP	34,316.		34,316.	
TOTAL	<u>\$ 324,954.</u>	<u>\$ 0.</u>	<u>\$ 324,954.</u>	<u>\$ 0.</u>

STATEMENT 3  
FORM 990, PART IV, LINE 54  
INVESTMENTS - SECURITIES

OTHER SECURITIES	VALUATION METHOD	AMOUNT
MERRILL LYNCH MUTUAL FUNDS	MARKET VALUE	\$ 585,434.
MERRILL LYNCH EQUITIES	MARKET VALUE	767,190.
	TOTAL	<u>\$ 1,352,624.</u>

U.S. GOVERNMENT OBLIGATIONS	VALUATION METHOD	AMOUNT
MERRILL LYNCH GOVERNMENT SECURITIES	MARKET VALUE	654,936.
	TOTAL	<u>\$ 654,936.</u>

TOTAL INVESTMENTS - SECURITIES \$ 2,007,560.

STATEMENT 4  
FORM 990, PART IV, LINE 56  
INVESTMENTS - OTHER

DESCRIPTION OF INVESTMENT	VALUATION METHOD	BOOK VALUE
OREF ENDOWMENT FUND	MARKET VALUE	\$ 24,231.
	TOTAL	<u>\$ 24,231.</u>

STATEMENT 5  
FORM 990, PART V-A  
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
JOHN BERGFELD 9500 EUCLID AVE, A-41 CLEVELAND, OH 44195	PRESIDENT 1	\$ 0.	\$ 0.	\$ 0.
PAOLO AGLIETTI 2678 BISHOP DRIVE, STE 250 SAN RAMON, CA 94583	1ST VICE PRESID 1	0.	0.	0.
MOISES COHEN 2678 BISHOP DRIVE, STE 250 SAN RAMON, CA 94583	SECRETARY 1	0.	0.	0.
FREDDI FU 3471 5TH AVE SUITE 1011 PITTSBURGH, PA 15213	2ND VICE PRES 1	0.	0.	0.
JOHN BARTLETT 2678 BISHOP DRIVE, STE 250 SAN RAMON, CA 94583	TREASURER 1	0.	0.	0.
PER A RENSTROM 2678 BISHOP DRIVE, STE 250 SAN RAMON, CA 94583	PAST PRESIDENT 1	0.	0.	0.
MASAHIRO KUROSACA 2678 BISHOP DRIVE, STE 250 SAN RAMON, CA 94583	ASSISTANT SECR 1	0.	0.	0.
	TOTAL	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**STATEMENT 6  
FORM 990, PART VIII  
RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES**

<u>LINE #</u>	<u>EXPLANATION OF ACTIVITIES</u>
94	MEMBERSHIP DUES FUND THE SOCIETY'S ROUTINE OPERATIONS AND PUBLICATION OF A PERIODIC NEWSLETTER TO COMMUNICATE AND DISSEMINATE THE EXPANDING FIELD OF KNOWLEDGE RELATIVE TO ARTHROSCOPY AND FURTHER THE DEVELOPMENT OF RESEARCH AND STUDY OF ARTHROSCOPY AS WELL AS PROVIDE A FORUM FOR THE PRESENTATION AND DISCUSSION OF RELATED ISSUES

INTERNAT'L SOC OF ARTHROSCOPY, KNEE SURG  
C/O MCJ CONSULTING

23-7379132

NAME OF ORGANIZATION  
-----

THE TECHNICALLY CORRECT NAME OF THE REPORTING ORGANIZATION IS  
"INTERNATIONAL SOCIETY OF ARTHROSCOPY, KNEE SURGERY AND ORTHOPAEDIC  
SPORTS MEDICINE". THE LIMITS OF COMPUTER TECHNOLOGY AND REPORTING  
COSTS RESULT IN CUTTING THE PROPER NAME SHORT ON EACH PAGE OF THE  
RETURN.

SCHEDULE A, PART 1 -----

NO COMPENSATION, CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS OR EXPENSE  
ACCOUNTS OR OTHER ALLOWANCES WERE MADE TO OR ON BEHALF OF THE OFFICERS  
AND DIRECTORS OF THE ORGANIZATION.