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Form **990**

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No 1545-0047

**2004**

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 **2004** calendar year, or tax year beginning , and ending

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	<b>C</b> Name of organization Information Systems Audit and Control Association		<b>D</b> Employer identification no. 23-7067291
		Number and street (or P O box if mail is not delivered to street address) Room/suite 3701 Algonquin Road 1010		<b>E</b> Telephone number 847-253-1545
		City or town, state or country, and ZIP + 4 Rolling Meadows IL 60008		<b>F</b> Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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). Self and I are not applicable to section 527 organizations

**G** Website: www.isaca.org

**J** Organization type (check only one)  501(c) ( 6 ) (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 received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 1 20,703,882

**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** If "Yes," enter number of affiliates  Yes  No  
**H(c)** Are all affiliates included? (If "No," att a list See Instr)  Yes  No  
**M** Check  if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)  
**I** Group Exemption Number 2504

**Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)**

<b>1</b>	Contributions, gifts, grants, and similar amounts received			
<b>a</b>	Direct public support	<b>1a</b>		
<b>b</b>	Indirect public support	<b>1b</b>		
<b>c</b>	Government contributions (grants)	<b>1c</b>		
<b>d</b>	Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)	<b>1d</b>		0
<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>		12,672,386
<b>3</b>	Membership dues and assessments	<b>3</b>		4,704,570
<b>4</b>	Interest on savings and temporary cash investments	<b>4</b>		113,891
<b>5</b>	Dividends and interest from securities	<b>5</b>		139,860
<b>6a</b>	Gross rents	<b>6a</b>		
<b>b</b>	Less: rental expenses	<b>6b</b>		
<b>c</b>	Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>		
<b>7</b>	Other investment income (describe _____)	<b>7</b>		
<b>8a</b>	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
<b>b</b>	Less: cost or other basis and sales expenses	<b>8a</b>	<b>8b</b>	283
<b>c</b>	Gain or (loss) (attach schedule)	<b>8c</b>	<b>8d</b>	-283
<b>d</b>	Net gain or (loss) (combine line 8c, columns (A) and (B))			-283
<b>9</b>	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
<b>a</b>	Gross revenue (not including contributions reported on line 1a)	<b>9a</b>		
<b>b</b>	Less: direct expenses other than fundraising expenses	<b>9b</b>		
<b>c</b>	Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>		
<b>10a</b>	Gross sales of inventory, less returns and allowances	<b>10a</b>	2,630,562	
<b>b</b>	Less: cost of goods sold	<b>10b</b>	552,031	
<b>c</b>	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>		2,078,531
<b>11</b>	Other revenue (from Part VII, line 103)	<b>11</b>		442,613
<b>12</b>	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>		20,151,568
<b>E</b>	<b>13</b> Program services (from line 44, column (B))	<b>13</b>		
<b>14</b>	Management and general (from line 44, column (C))	<b>14</b>		
<b>15</b>	Fundraising (from line 44, column (D))	<b>15</b>		
<b>16</b>	Payments to affiliates (attach schedule)	<b>16</b>		
<b>17</b>	Total expenses (add lines 16 and 44, column (A))	<b>17</b>		15,689,064
<b>A</b>	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>		4,462,504
<b>N</b>	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		9,523,110
<b>S</b>	<b>20</b> Other changes in net assets or fund balances (attach explanation) See Statement 4	<b>20</b>		148,910
<b>21</b>	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>		14,134,524

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**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. (See page 22 of the instructions.)

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 (attach schedule) Stmt 5 (cash \$ 1,121,800 non-cash \$ )	1,121,800			
23	Specific assistance to individuals				
24	Benefits paid to or for members				
25	Compensation of officers, directors, etc.	994,341			
26	Other salaries and wages	2,717,368			
27	Pension plan contributions	212,865			
28	Other employee benefits	371,652			
29	Payroll taxes	234,037			
30	Professional fundraising fees				
31	Accounting fees	31,193			
32	Legal fees	182,899			
33	Supplies	113,070			
34	Telephone	192,468			
35	Postage and shipping	1,739,930			
36	Occupancy	257,127			
37	Equipment rental and maintenance	138,349			
38	Printing and publications	1,123,341			
39	Travel	927,463			
40	Conferences, conventions, and meetings	1,846,612			
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	334,215			
43	Other expenses not covered above (itemize):				
b	See Statement 6	3,150,334			
c					
d					
e					
44	<b>Total functional expenses</b> (add lines 22 - 43) Organizations completing columns (B)-(D), carry these totals to lines 13-1544	15,689,064	0	0	0

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 \$ \_\_\_\_\_.

**Statement of Program Service Accomplishments (See page 25 of the instructions.)**

What is the organization's primary exempt purpose?	Program Service Expenses (Required for 501(c)(3) & (4) orgs, & 4947(a)(1) trusts, but optional for others.)
a ▶ See Statement 7 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.)	
(Grants and allocations \$ _____)	
b	
(Grants and allocations \$ _____)	
c	
(Grants and allocations \$ _____)	
d	
(Grants and allocations \$ _____)	
e Other program services (attach schedule) See Stmt 8	(Grants and allocations \$ 1,121,800)
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	15,689,064

**Balance Sheets** (See page 25 of the instructions.)

		(A)		(B)	
		Beginning of year		End of year	
<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only					
45	Cash-non-interest-bearing	250	45	250	
46	Savings and temporary cash investments	4,148,231	46	7,658,904	
47a	Accounts receivable	202,505			
b	Less: allowance for doubtful accounts	60,019	47c	142,486	
48a	Pledges receivable				
b	Less: allowance for doubtful accounts		48c		
49	Grants receivable		49		
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
51a	Other notes and loans receivable (attach schedule)				
b	Less: allowance for doubtful accounts		51c		
52	Inventories for sale or use	323,117	52	351,823	
53	Prepaid expenses and deferred charges	737,968	53	847,075	
54	Investments-securities See Statement 9 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	6,570,155	54	8,701,806	
55a	Investments-land, buildings, and equipment: basis				
b	Less: accumulated depreciation (attach schedule)		55c		
56	Investments-other (attach schedule)		56		
57a	Land, buildings, and equipment: basis	2,266,328			
b	Less: accumulated depreciation (attach schedule) See Statement 10	1,388,575	57c	877,753	
58	Other assets (describe See Statement 11 )	174,641	58	149,469	
59	<b>Total assets (add lines 45 through 58) (must equal line 74)</b>	13,252,245	59	18,729,566	
60	Accounts payable and accrued expenses	1,234,330	60	1,503,976	
61	Grants payable		61		
62	Deferred revenue See Statement 12	2,191,857	62	2,821,713	
63	Loans from officers, directors, trustees, and key employees (attach schedule)		63		
64a	Tax-exempt bond liabilities (attach schedule)		64a		
b	Mortgages and other notes payable (attach schedule)		64b		
65	Other liabilities (describe See Statement 13 )	302,948	65	269,353	
66	<b>Total liabilities (add lines 60 through 65)</b>	3,729,135	66	4,595,042	
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
67	Unrestricted	9,523,110	67	14,134,524	
68	Temporarily restricted		68		
69	Permanently restricted		69		
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
70	Capital stock, trust principal, or current funds		70		
71	Paid-in or capital surplus, or land, building, and equipment fund		71		
72	Retained earnings, endowment, accumulated income, or other funds		72		
73	<b>Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)</b>	9,523,110	73	14,134,524	
74	<b>Total liabilities and net assets / fund balances (add lines 66 and 73)</b>	13,252,245	74	18,729,566	

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.



**Other Information (See page 28 of the instructions.)**

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	X	
b	If "Yes," enter the name of the organization <b>See Statement 17</b> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions	81a	-0-
b	Did the organization file Form 1120-POL for this year?	81b	X
82a	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?	82a	X
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.)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	X
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	X
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	X
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	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?	85h	N/A
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88	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	88	X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>N/A</u> ; section 4912 <u>N/A</u> ; section 4955 <u>N/A</u>		
b	501(c)(3) and 501(c)(4) orgs. 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	89b	
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		N/A
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		N/A
90a	List the states with which a copy of this return is filed <u>CA IL</u>		
b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	45
91	The books are in care of <u>Connie Calderaro</u> Telephone no. <u>847-253-1545</u> Located at <u>Rolling Meadows,</u> ZIP + 4 <u>60008</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	<input type="checkbox"/>

**Analysis of Income-Producing Activities (See page 33 of the instructions.)**

	Unrelated business income		Excluded by sec 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>Note:</b> Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a See Statement 18		463,362			12,209,024
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					4,704,570
95 Interest on savings and temporary cash investments			14	113,891	
96 Dividends and interest from securities			14	139,860	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			1	-283	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					2,078,531
103 Other revenue: a					
b See Statement 19		3,500		10,800	428,313
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		466,862		264,268	19,420,438
105 Total (add line 104, columns (B), (D), and (E))					20,151,568

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

**Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	See Statement 20

**Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)**

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)**

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes  No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes  No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer: Scott Artman, CFO Date: 11/15/05

Type or print name and title

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**Paid Preparer's Use Only**

Preparer's signature: Daniel J. Madell Date: 11/15/05 Check if self-employed

Firm's name (or yours if self-employed), address, and ZIP + 4: Grant Thornton  
175 W. Jackson  
Chicago, IL 60604

Preparer's SSN or PTIN (See Gen Instr W): 312.856.0200

EIN:  Phone no: 312.856.0200

## Federal Statements

### Statement 1 - Form 990, Part I, Line 3 - Membership Dues and Assessments

<u>Description</u>	<u>Amount</u>
Membership Dues & Processing	<u>\$4,704,570</u>
Total	<u>\$4,704,570</u>



**Federal Statements**

Statement 2 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Other

Desc	How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Deprec	Gain/-Loss
T-Mobile - RIM Blackberry 847-312-5130 Purchase			2/01/04	10/01/00	\$ 0	\$ 425	142	-283
<b>Total</b>					\$ 0	\$ 425	142	-283

**Federal Statements**

**Statement 3 - Form 990, Line 10c - Sales of Inventory**

<u>Description</u>	<u>Gross Sales</u>	<u>COGS</u>	<u>Gross Profit</u>
Various Publication Sales	\$ 2,630,562	\$ 552,031	\$ 2,078,531
Total	<u>\$ 2,630,562</u>	<u>\$ 552,031</u>	<u>\$ 2,078,531</u>

**Statement 4 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances**

<u>Description</u>	<u>Amount</u>
Gain on Investments	\$ 143,089
Gain on Foreign Currency	5,821
Total	<u>\$ 148,910</u>

**Federal Statements**

**Statement 5 - Form 990, Part II, Line 22 - Grants, Allocations and Contributions**

Name Address	Date of Gift	Description of Property	Relationship to Org	Class of Activity		Book Value	BV Explantn	FMV Explantn
				Cash Contrib	NonCash Contrib			
ITGI 3701 Algonquin Road Rolling Meadows, IL, 60008				\$ 1,000,000	\$			
ITGI 3701 Algonquin Road Rolling Meadows, IL, 60008				71,800				
World Vision Chicago 5001 W. Harrison Chicago, IL, 60644				50,000				
<b>Total</b>				<u>\$ 1,121,800</u>	<u>\$ 0</u>	<u>\$ 0</u>		

**Federal Statements**

**Statement 6 - Form 990, Part II, Line 43 - Other Functional Expenses**

<u>Description</u>	<u>Total Expenses</u>	<u>Program Service</u>	<u>Mgt &amp; General</u>	<u>Fund-Raising</u>
	\$	\$	\$	\$
General Expenses				
Temporary Staff Services	81,514			
Recruitment Costs	11,121			
Insurance	62,159			
Storage Charges	17,309			
Subscriptions / Memberships	12,903			
Bank Charges	576,549			
Exam Fees / Administrator Fee	963,762			
Translation Fees	85,262			
Job Analysis Fees	50,267			
Professional Fees	646,216			
Awards	7,087			
Internal Publication Purchase	33,957			
Miscellaneous	14,109			
Non-Publication Royalties	81,880			
Promotion	464,590			
Offset Dir. Advertising costs	-169,032			
Bad Debe Expense	34,382			
VAT / Other Taxes	7,267			
Readership Costs	-808,693			
IS Audit & Control Journal				
Total Direct Advertising Cost	169,032			
Readership Costs	808,693			
Total	<u>\$ 3,150,334</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Statement 7 - Form 990, Part III - Organization's Primary Exempt Purpose**

Serving more than 47,000 members, ISACA provides continuing professional education and develops IS audit techniques & standards which are transferred to its membership through international conferences, various educational seminars & numerous publications.

**Statement 8 - Form 990, Part III, Line e - Other Program Services**

Serving more than 47,000 members ISACA provides continuing professional education and develops IS audit techniques & standards which are transferred to its membership through international conferences, various educational seminars & numerous publications.

**Federal Statements**

**Statement 9 - Form 990, Part IV, Line 54 - Investments in Securities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>
US and State Government			
Government Securities MSDW	1,533,521	1,626,163	Market
Government Securities Paine Webber	5,984	6,164	Market
Government Securities LaSalle Sweep	1,420,673	2,310,417	Market
Corporate Stock			
Mutual Funds MSDW	2,429,684	2,504,788	Market
Equity Investments MSDW	1,180,293	2,254,274	Market
	<u>6,570,155</u>	<u>8,701,806</u>	

**Statement 10 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment**

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Deprec</u>	<u>End of Year</u>	<u>Accum Deprec</u>
Leasehold Improvements	\$ 205,472	\$ 148,009	\$ 211,812	\$ 163,009
Office Equipment	105,033	81,508	106,645	95,752
Furniture & Fixtures	83,519	62,118	75,603	61,389
Computer Systems	1,723,119	771,758	1,872,268	1,068,425
Total	<u>\$ 2,117,143</u>	<u>\$ 1,063,393</u>	<u>\$ 2,266,328</u>	<u>\$ 1,388,575</u>

**Statement 11 - Form 990, Part IV, Line 58 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Security Deposits	\$ 9,764	\$ 9,764
Course Development Costs	164,877	139,705
Total	<u>\$ 174,641</u>	<u>\$ 149,469</u>

**Statement 12 - Form 990, Part IV, Line 62 - Deferred Revenue**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Membership Dues	\$ 1,276,275	\$ 1,471,470
Certification Fees	341,770	391,439
Conference Registration Fees	56,691	169,415
Exam Fees	441,377	679,956
Journal Subscription Revenue	46,500	18,030
CobIT Subscriptions	29,244	91,403
Total	<u>\$ 2,191,857</u>	<u>\$ 2,821,713</u>

**Federal Statements**

**Statement 13 - Form 990, Part IV, Line 65 - Other Liabilities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Rent Concessions	\$ 11,873	\$ 8,904
Stale Check Liability	19,266	82,001
Credit Vouchers Issued	23,446	22,839
Consignment Goods	2,795	1,948
Unapplied Payments	211,662	37,149
Publication Orders in Process	34,454	115,669
Other Pending	-545	843
Misc Rounding	-3	
Total	<u>\$ 302,948</u>	<u>\$ 269,353</u>

**Federal Statements**

**Statement 14 - Form 990, Part IV-A - Other Revenue Included on Financial Statements**

<u>Description</u>	<u>Amount</u>
Cost of Goods Sold	\$ 478,805
Publication Royalties	73,226
Loss on sale of Fixed Assets	283
Total	<u>\$ 552,314</u>

**Statement 15 - Form 990, Part IV-B - Other Expenses Included on Financial Statements**

<u>Description</u>	<u>Amount</u>
Cost of Goods Sold	\$ 478,805
Publication Royalties	73,226
Loss on sale of Fixed Assets	283
Total	<u>\$ 552,314</u>

**Federal Statements**

**Statement 16 - Form 990, Part V - List of Officers, Directors, Trustees, and Key Employees**

Name	Address	City, State, Zip	Title	Average Hours	Compensation	Benefits	Expenses
Mr. Abdul Hamid Abdullah, CISA, CPA	3701 Algonquin Road	3701 Algonquin Road	Vice Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. Bent Poulsen, CISA, CISM	3701 Algonquin Road	3701 Algonquin Road	Vice Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. Everett C. Johnson, Jr., CPA	3701 Algonquin Road	3701 Algonquin Road	Vice Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. Frank K.M. Yam, CISA, CCP, CIA, FH	3701 Algonquin Road	3701 Algonquin Road	Treasurer	3	0	0	0
Rolling Meadows IL	60008						
Mr. Howard Nicholson, CISA	3701 Algonquin Road	3701 Algonquin Road	Vice Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. Marios Damianides, CISA, CISM, CA	3701 Algonquin Road	3701 Algonquin Road	President	3	0	0	0
Rolling Meadows IL	60008						
Mr. Ricardo J. Bria, CISA	3701 Algonquin Road	3701 Algonquin Road	Vice Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. William C. Boni, CISM	3701 Algonquin Road	3701 Algonquin Road	Vice Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. Robert S. Roussey, CPA	3701 Algonquin Road	3701 Algonquin Road	Past Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. Paul A. Williams, MBCS, FCA	3701 Algonquin Road	3701 Algonquin Road	Past Preside	3	0	0	0
Rolling Meadows IL	60008						
Mr. Ronald W. Riba	3701 Algonquin Road	3701 Algonquin Road	COO	50	\$282,518	\$20,838	0
Rolling Meadows IL	60008						
Mrs. Susan M. Caldwell	3701 Algonquin Road	3701 Algonquin Road	Sec/CEO	50	\$325,135	\$60,473	\$58,706
Rolling Meadows IL	60008						
Mr. Terence J. Trsar	3701 Algonquin Road	3701 Algonquin Road	CPDO	50	\$177,659	\$16,372	0
Rolling Meadows IL	60008						
Mr. Scott R. Artman	3701 Algonquin Road	3701 Algonquin Road	CFO	50	\$209,029	\$19,602	0
Rolling Meadows IL	60008						



**Federal Statements**

**Statement 17 - Form 990, Part VI, Line 80b - Name of Related Organization(s)**

<u>Name of related organization(s)</u>	<u>Type</u>
IT Governance Institute	Exempt

**Federal Statements**

**Statement 18 - Form 990, Part VII, Line 93 - Program Service Revenue**

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
CISA Certification Exam		\$		\$	\$ 4,997,105
CISA Continuing Education					950,204
CISM Certification Exam					227,358
CISM Continuing Education					1,877,970
Seminars/Training Weeks					1,618,931
NA CACS Conference					816,231
European CACS Conference					487,128
Asia CACS Conference					120,362
International Conference					377,992
Latin CACS Conference					280,012
Network Security Conference					266,652
Info. Security Mgmt. Conf.					265,110
European Network Security					178,303
Journal Subscriptions					18,593
General Expenses					-304,427
IS Audit & Control Journal	900004	463,362			
Global Communique					31,500
<b>Total</b>		<b>\$ 463,362</b>		<b>\$ 0</b>	<b>\$12,209,024</b>

**Statement 19 - Form 990, Part VII, Line 103 - Other Revenue**

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
Management Fee		\$		\$	\$ 428,313
Mailing List Income			15	5,250	
Knet Income	900004	3,500			
Mailing Service Income			15	5,120	
Miscellaneous Income			1	430	
<b>Total</b>		<b>\$ 3,500</b>		<b>\$ 10,800</b>	<b>\$ 428,313</b>

**Statement 20 - Form 990, Part VIII - Relationship of Activities**

Line No.	Description
93a	Income received from individuals sitting for one of the two certification exams, as well as fees received for the maintenance of those certifications relate to the exempt purpose by providing a certification for the IT Auditor IT Security Manager to enable devopment & monitoring of professional development include the following: CISA Certification Exam, CISA Continuing Education, CISM Certification Exam, CISM Continuing Education.
93a	Fees received from attendees at conferences and other educational seminars relate to the exempt purpose by providing education for the IT Auditor and IT Security Manager to continue their professional development: Seminars/Training Weeks, NA CACS, European CACS, Asia CACS International, Latin CACS, Network Security, Information Security Management, European Network Security Conferences
93a	Fees from non-members for Journal subscriptions or for

**Federal Statements**

**Statement 20 - Form 990, Part VIII - Relationship of Activities (continued)**

<u>Line No.</u>	<u>Description</u>
94	reprints of specific journals allows educational information to be communicated within the profession. Dues received from members for their membership enables professional development of IT Auditors & IT Security Managers by providing networking opportunities, special interest groups within the profession, as well as by providing a monthly journal on IT Audit & IT Security topics to further develop those professionals.
102	Fees received for the purchase of publications provides the IT Audit and Security Professional with the educational materials needed for the profession.
103a	Fee received to support the ITGI, a related entity, enables continued research to be done to allow future educational materials to be available for the IT Audit & IT Security professions.

# Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

**Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)**

**Form 990-T corporations** requesting an automatic 6-month extension - check this box and complete Part I only.

*All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.*

**Electronic Filing (e-file).** Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile).

<b>Type or print</b>  <small>File by the due date for filing your return. See instructions.</small>	Name of Exempt Organization		Employer identification number
	INFORMATION SYSTEMS AUDIT AND CONTROL ASSOCIATION		23-7067291
	Number, street, and room or suite no. If a P.O. box, see instructions.		
	3701 ALGONQUIN ROAD, SUITE 1010		
City, town or post office, state, and ZIP code. For a foreign address, see instructions.			
ROLLING MEADOWS, IL 60008			

Check type of return to be filed (file a separate application for each return):

- |  |  |                                    |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T(sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)     | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                             | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ SCOTT R. ARTMAN

Telephone No. ▶ (847) 253-1545 FAX No. ▶ \_\_\_\_\_

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the **whole** group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until AUGUST 15, 2005, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year 2004 or

▶  tax year beginning \_\_\_\_\_, \_\_\_\_\_, and ending \_\_\_\_\_, \_\_\_\_\_.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \_\_\_\_\_ \$

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \_\_\_\_\_ \$

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \_\_\_\_\_ \$

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Additional (not automatic) 3-Month Extension, complete only Part II and check this box.  Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868. An Automatic 3-Month Extension, complete only Part I (on page 1). Final (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Name of Exempt Organization: INFORMATION SYSTEMS AUDIT AND CONTROL ASSOCIATION
Employer Identification number: 23-7067291
Number, street, and room or suite no: 3701 ALGONQUIN ROAD, SUITE 1010
City, town or post office, state, and ZIP code: ROLLING MEADOWS, IL 60008

Indefinite date for filing the return See instructions

Check type of return to be filed (File a separate application for each return):
[X] Form 990
Form 990-BL
Form 990-EZ
Form 990-PF
Form 990-T(sec. 401(a) or 408(a) trust)
Form 990-T (trust other than above)
Form 1041-A
Form 4720
Form 5227
Form 6069
Form 8870

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of SCOTT R. ARTMAN
Telephone No. (847) 253-1545 FAX No.
If the organization does not have an office or place of business in the United States, check this box.
If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until NOVEMBER 15, 2005
For calendar year 2004, or other tax year beginning and ending
If this tax year is for less than 12 months, check reason. Initial return Final return Change in accounting period
State in detail why you need the extension MORE TIME IS NEEDED TO GATHER INFORMATION TO FILE A COMPLETE AND ACCURATE RETURN.

- If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$
If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$
Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$

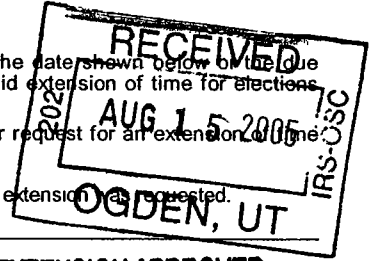
Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Daniel J. Marbocek Title Attorney Date 8/8/2005

Notice to Applicant - To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return
We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions) This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return Please attach this form to the organization's return.
We have not approved this application After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
Other



EXTENSION APPROVED

Director By: Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension for returned to an address different than the one entered above. AUG 19 2005

Name: GRANT THORNTON LLP, ATTN: LAURA MOLINA
Number and street (include suite, room, or apt. no.) or a P.O. box number: 175 W. JACKSON BLVD., SUITE 2000
City or town, province or state, and country (including postal or ZIP code): CHICAGO, IL 60604
FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN