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Form 990

Department of the Treasury  
Internal Revenue Service

## 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

2011

Open to Public  
Inspection

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

A For the 2011 calendar year, or tax year beginning and ending

<input checked="" type="checkbox"/> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization <b>AMERICAN ASSOCIATION OF HIP &amp; KNEE SURGEONS</b>		D Employer identification number <b>36-3832205</b>		
	Doing Business As		E Telephone number <b>847-698-1200</b>		
	Number and street (or P.O. box if mail is not delivered to street address) <b>6300 N. RIVER ROAD</b>		Room/suite <b>615</b>	G Gross receipts \$ <b>4,443,989.</b>	
	City or town, state or country, and ZIP + 4 <b>ROSEMONT, IL 60018-4237</b>		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	F Name and address of principal officer. <b>ROBERT HALL</b> <b>SAME AS C</b>		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	I Tax-exempt status <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c)( 6 ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		If "No," attach a list (see instructions)		
J Website: ► <b>WWW.AAHKS.ORG</b>		H(c) Group exemption number ►			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►		L Year of formation: <b>1992</b> M State of legal domicile: <b>IL</b>			

## Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <b>TO PROVIDE LEADERSHIP IN ADVOCACY, EDUCATION AND RESEARCH TO ACHIEVE EXCELLENCE IN HIP AND KNEE SURGERY</b>		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	12
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	6
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	10,099.
b Net unrelated business taxable income from Form 990-T, line 34	7b	7,302.	

Revenue	Prior Year	Current Year	
	8 Contributions and grants (Part VIII, line 1h)	495,602.	399,411.
	9 Program service revenue (Part VIII, line 2g)	1,300,662.	1,513,863.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	50,112.	373,556.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	252,265.	274,723.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,098,641.	2,561,553.
		45,226.	93,243.

Expenses	Prior Year	Current Year	
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	433,473.	518,809.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	839,545.	1,079,303.
	b Total fundraising expenses (Part IX, column (D), line 25) ►	1,318,244.	1,691,355.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-11k)	780,397.	870,198.

Net Assets or Fund Balances	Prior Year	Current Year	
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	Beginning of Current Year	End of Year
	19 Revenue less expenses Subtract line 18 from line 12	4,278,114.	4,851,077.
		309,478.	390,160.
		3,968,636.	4,460,917.

## Part II Signature Block

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.

Sign Here	Signature of officer	Date
	<b>ROBERT HALL, EXECUTIVE DIRECTOR</b>	<b>10/19/20</b>
Type or print name and title		

Paid	Print/Type preparer's name <b>MARCY STEINDLER</b>	Preparer's signature <i>Marcy Steindler</i>	Date <b>10/18/12</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00573131</b>
Preparer	Firm's name ► <b>MANN. WEITZ &amp; ASSOCIATES L.L.C.</b>	Firm's EIN ► <b>36-3963131</b>			
Use Only	Firm's address ► <b>111 DEER LAKE ROAD, SUITE 125 DEERFIELD, IL 60015</b>			Phone no. <b>(847) 267-3400</b>	

May the IRS discuss this return with the preparer shown above? (see instructions)

 Yes  No

132001 01-23-12 LHA For Paperwork Reduction Act Notice, see the separate instructions.

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SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

913-17

2011

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III  X

1 Briefly describe the organization's mission

**TO PROVIDE LEADERSHIP IN ADVOCACY, EDUCATION AND RESEARCH TO ACHIEVE EXCELLENCE IN HIP AND KNEE PATIENT CARE.**

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  X No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  X No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_) including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**ANNUAL MEETING - MEETING IN WHICH MEMBERS ORGANIZE FOR EDUCATIONAL SESSIONS AND LECTURES ON HIP AND KNEE DISEASES AND TREATMENTS. APPROXIMATELY 950 PEOPLE ATTENDED THE 2011 ANNUAL MEETING.**

4b (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_) including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**HEALTH POLICY ACTIVITIES - POLICY MAKERS IN WASHINGTON WERE PROVIDED INFORMATION ON AN ON-GOING BASIS ABOUT THE PRACTICE OF TOTAL JOINT ARTHROPLASTY, ALLOWING THEM TO MAKE BETTER DECISIONS ON HEALTH CARE, TO THE BENEFIT OF THOUSANDS OF PATIENTS.**

4c (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_) including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**JOURNAL - PROVIDES THE APPROXIMATELY 1,725 MEMBERS WITH A SUBSCRIPTION TO THE JOURNAL OF ARTHROPLASTY, A TRADE JOURNAL. THERE ARE 8 ISSUES OF THE JOURNAL, WHICH CONTAINED PEER REVIEWED CLINICAL ARTICLES ON THE LATEST TECHNIQUES AND ISSUES IN TOTAL JOINT ANTHROPLASTY, BENEFITING NOT ONLY THE MEMBERS, BUT THOUSANDS OF THEIR PATIENTS.**

4d Other program services (Describe in Schedule O)

(Expenses \$ \_\_\_\_\_) including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

4e Total program service expenses ►

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**Part IV Checklist of Required Schedules**

- 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)?  
*If "Yes," complete Schedule A*
- 2 Is the organization required to complete *Schedule B, Schedule of Contributors*?
- 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*
- 4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*
- 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*
- 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*
- 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*
- 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*
- 9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*
- 10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*
- 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable
  - a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*
  - b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*
  - c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*
  - d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*
  - e Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*
  - f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*
- 12a Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*
  - b Was the organization included in consolidated, independent audited financial statements for the tax year?  
*If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*
- 13 Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*
- 14a Did the organization maintain an office, employees, or agents outside of the United States?
  - b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*
- 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*
- 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*
- 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*
- 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*
- 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*
- 20a Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*
  - b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

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**Part IV Checklist of Required Schedules (continued)**

21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II

22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III

23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J

24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25

b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?

c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?

d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?

25a **Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I

b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I

26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II

27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III

28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)

a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV

b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV

c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV

29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M

30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M

31 Did the organization liquidate, terminate, or dissolve and cease operations?  
If "Yes," complete Schedule N, Part I

32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II

33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I

34 Was the organization related to any tax-exempt or taxable entity?  
If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1

35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?

b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2

36 **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization?  
If "Yes," complete Schedule R, Part V, line 2

37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI

38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?  
**Note.** All Form 990 filers are required to complete Schedule O

	Yes	No
21	X	
22	X	
23	X	
24a	X	
24b		
24c		
24d		
25a		
25b		
26	X	
27	X	
28a	X	
28b	X	
28c	X	
29	X	
30	X	
31	X	
32	X	
33	X	
34	X	
35a	X	
35b	X	
36		
37	X	
38	X	

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**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V

	Yes	No
1a Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	4
b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	6
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</i>	2b	X
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b If "Yes," has it filed a Form 990-T for this year? <i>If "No," provide an explanation in Schedule O</i>	3b	X
4a 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)?	4a	X
b If "Yes," enter the name of the foreign country ► <i>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</i>	5a	X
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5b	X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5c	
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	6a	X
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6b	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	7a	
7 <b>Organizations that may receive deductible contributions under section 170(c).</b>	7b	
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7c	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7d	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7e	
d If "Yes," indicate the number of Forms 8282 filed during the year	7f	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7g	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7h	
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	8	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	9a	
8 <b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9b	
9 <b>Sponsoring organizations maintaining donor advised funds.</b>		
a Did the organization make any taxable distributions under section 4966?		
b Did the organization make a distribution to a donor, donor advisor, or related person?		
10 <b>Section 501(c)(7) organizations.</b> Enter	10a	
a Initiation fees and capital contributions included on Part VIII, line 12	10b	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11 <b>Section 501(c)(12) organizations.</b> Enter:	11a	
a Gross income from members or shareholders	11b	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13 <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	13a	
a Is the organization licensed to issue qualified health plans in more than one state?		
<i>Note. See the instructions for additional information the organization must report on Schedule O</i>		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c Enter the amount of reserves on hand	13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O</i>	14b	

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**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions

Check if Schedule O contains a response to any question in this Part VI

**Section A. Governing Body and Management**

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year  If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a	12
1b		1b	12
2		2	X
3		3	X
4		4	X
5		5	X
6		6	X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?  b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7a	X
7b		7b	X
8a		8a	X
8b		8b	X
9		9	X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?  b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10a	X
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?  b Describe in Schedule O the process, if any, used by the organization to review this Form 990	11a	X
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13  b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?  c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12a	X
12b		12b	X
12c		12c	X
13		13	X
14		14	X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?  a The organization's CEO, Executive Director, or top management official  b Other officers or key employees of the organization  If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)	15a	X
15b		15b	X
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?  b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16a	X
16b		16b	

**Section C. Disclosure**

17	List the states with which a copy of this Form 990 is required to be filed ► <u>IL</u>
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► <b>ROBERT A. HALL - 847-698-1200</b> <b>6300 NORTH RIVER ROAD, # 615, ROSEMONT, IL 60018-4206</b>



**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

**1b Sub-total**

**c Total from continuation sheets to Part VII, Section A**

**d Total (add lines 1b and 1c)**

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ►

1

3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
<u>ELSEVIER, INC., 1600 JOHN F. KENNEDY BOULEVARD, PHILADELPHIA, PA 19103</u>	<u>JOURNAL SUBSCRIPTIONS</u>	<u>141,467.</u>

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 1

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**Part VIII Statement of Revenue**

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a Federated campaigns</b> b Membership dues c Fundraising events d Related organizations e Government grants (contributions) f All other contributions, gifts, grants, and similar amounts not included above g Noncash contributions included in lines 1a-1f \$ h Total. Add lines 1a-1f	<b>1a</b> <b>1b</b> <b>1c</b> <b>1d</b> <b>1e</b> <b>1f 399,411.</b>			
			<b>399,411.</b>		
<b>Program Service Revenue</b>	<b>2 a DUES</b> b ANNUAL MEETING c SPECIALTY DAY d QUALITY MEASURES PROJE e f All other program service revenue g Total. Add lines 2a-2f	<b>Business Code</b> <b>900099 782,419.</b> <b>611430 633,760.</b> <b>611430 62,684.</b> <b>611430 35,000.</b>	<b>782,419.</b> <b>272,865.</b> <b>62,684.</b> <b>35,000.</b>		<b>360,895.</b>
			<b>1,513,863.</b>		
	<b>3 Investment income (including dividends, interest, and other similar amounts)</b> <b>4 Income from investment of tax-exempt bond proceeds</b> <b>5 Royalties</b>		<b>61,902.</b>		<b>61,902.</b>
	<b>6 a Gross rents</b> b Less rental expenses c Rental income or (loss) d Net rental income or (loss)	<b>(i) Real</b>    <b>(ii) Personal</b>			
	<b>7 a Gross amount from sales of assets other than inventory</b> b Less cost or other basis and sales expenses c Gain or (loss) d Net gain or (loss)	<b>(i) Securities</b> <b>2194090.</b>   <b>(ii) Other</b> <b>1882436.</b>  <b>311,654.</b>			<b>237,032.</b>
			<b>311,654.</b>		<b>237,032.</b>
<b>Other Revenue</b>	<b>8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18</b> b Less direct expenses c Net income or (loss) from fundraising events <b>9 a Gross income from gaming activities. See Part IV, line 19</b> b Less direct expenses c Net income or (loss) from gaming activities <b>10 a Gross sales of inventory, less returns and allowances</b> b Less cost of goods sold c Net income or (loss) from sales of inventory	<b>a</b> <b>b</b>			
			<b>311,654.</b>		<b>311,654.</b>
	<b>Miscellaneous Revenue</b>	<b>Business Code</b>			
	<b>11 a MISCELLANEOUS</b> b c d All other revenue e Total. Add lines 11a-11d 12 Total revenue See instructions.	<b>900099 37,691.</b>	<b>27,592.</b>	<b>10,099.</b>	
			<b>37,691.</b>		
			<b>2,561,553.</b>	<b>1,180,560.</b>	<b>10,099.</b>
					<b>971,483.</b>

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**

Form 990 (2011)

36-3832205 Page 10

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	88,892.			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	4,351.			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	194,587.			
7 Other salaries and wages	199,372.			
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	5,121.			
9 Other employee benefits	94,536.			
10 Payroll taxes	25,193.			
11 Fees for services (non-employees)				
a Management				
b Legal	11,169.			
c Accounting	20,413.			
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	16,553.			
g Other	37,625.			
12 Advertising and promotion				
13 Office expenses	50,627.			
14 Information technology	4,475.			
15 Royalties				
16 Occupancy	53,766.			
17 Travel	16,485.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	561,600.			
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,975.			
23 Insurance	3,692.			
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>JOURNAL SUBSCRIPTIONS</b>	141,467.			
b <b>HEALTH POLICY</b>	81,565.			
c <b>BOARD OF DIRECTORS</b>	27,162.			
d <b>FELLOWSHIP MATCH PROGRAM</b>	16,929.			
e All other expenses	30,800.			
<b>25 Total functional expenses.</b> Add lines 1 through 24e	<b>1,691,355.</b>			
<b>26 Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ►  if following SOP 98-2 (ASC 958-720)

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**

Form 990 (2011)

36-3832205 Page 11

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	1,140,311.	2	1,220,581.
	3 Pledges and grants receivable, net	175,226.	3	172,746.
	4 Accounts receivable, net	7,000.	4	6,500.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	26,106.	9	12,743.
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a   37,651.		
	b Less accumulated depreciation	10b   26,267.	9,999.	10c   11,384.
	11 Investments - publicly traded securities	2,915,013.	11	3,422,664.
	12 Investments - other securities See Part IV, line 11		12	
	13 Investments - program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	4,459.	15	4,459.
	<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34)	<b>4,278,114.</b>	<b>16</b>	<b>4,851,077.</b>
Liabilities	17 Accounts payable and accrued expenses	10,627.	17	58,170.
	18 Grants payable		18	
	19 Deferred revenue	298,851.	19	331,990.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		25	
	<b>26 Total liabilities.</b> Add lines 17 through 25	<b>309,478.</b>	<b>26</b>	<b>390,160.</b>
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	3,793,410.	27	4,288,172.
	28 Temporarily restricted net assets	175,226.	28	172,745.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	3,968,636.	33	4,460,917.
	<b>34 Total liabilities and net assets/fund balances</b>	<b>4,278,114.</b>	<b>34</b>	<b>4,851,077.</b>

Form 990 (2011)

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**

Form 990 (2011)

36-3832205 Page 12

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,561,553.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,691,355.
3	Revenue less expenses Subtract line 2 from line 1	3	870,198.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	3,968,636.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	<377,917.>
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	4,460,917.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

1 Accounting method used to prepare the Form 990  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

2a Were the organization's financial statements compiled or reviewed by an independent accountant?  
 b Were the organization's financial statements audited by an independent accountant?  
 c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O  
 d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both  
 Separate basis  Consolidated basis  Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?  
 b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		<input checked="" type="checkbox"/>
2b	<input checked="" type="checkbox"/>	
2c	<input checked="" type="checkbox"/>	
3a		<input checked="" type="checkbox"/>
3b		

Form 990 (2011)

Department of the Treasury  
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527

► Complete if the organization is described below. ► Attach to Form 990 or Form 990-EZ.  
► See separate instructions.

If the organization answered "Yes" to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations: Complete Part I-A only

If the organization answered "Yes" to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part II

Name of organization **AMERICAN ASSOCIATION OF HIP & KNEE SURGEONS**

**Employer identification number**  
36-3832205

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1** Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2** Political expenditures
- 3** Volunteer hours

**Part I-B** Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955      ► \$ \_\_\_\_\_  
2 Enter the amount of any excise tax incurred by organization managers under section 4955      ► \$ \_\_\_\_\_  
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year?  
4a Was a correction made?  
    b If "Yes," describe in Part IV

**Part I-C: Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ► \$ \_\_\_\_\_

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► \$ \_\_\_\_\_

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ► \$ \_\_\_\_\_

4 Did the filing organization file **Form 1120-POL** for this year?  Yes  No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

**For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

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Schedule C (Form 990 or 990-EZ) 2011

1 HA

## AMERICAN ASSOCIATION OF HIP &amp; KNEE

Schedule C (Form 990 or 990-EZ) 2011 SURGEONS

36-3832205 Page 2

**Part II-A** Complete if the organization is exempt under section 501(c)(3) and filed Form 5768  
(election under section 501(h)).

**A** Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

**B** Check  if the filing organization checked box A and "limited control" provisions apply

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		<b>(a) Filing organization's totals</b>	<b>(b) Affiliated group totals</b>
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)			
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)			
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)			
<b>d</b> Other exempt purpose expenditures			
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)			
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>		
Not over \$500,000	20% of the amount on line 1e		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)			
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0-			
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0-			
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2011

132042  
01-27-12

## AMERICAN ASSOCIATION OF HIP & KNEE

Schedule C (Form 990 or 990-EZ) 2011 **SURGEONS**

36-3832205 Page 3

**Part II-B** Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

*For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity*

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

**Part III-A** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

**1** Were substantially all (90% or more) dues received nondeductible by members?  
**2** Did the organization make only in-house lobbying expenditures of \$2,000 or less?  
**3** Did the organization agree to carry over lobbying and political expenditures from the prior year?

	Yes	No
1		X
2	X	
3		X

**Part III-B** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

- 1 Dues, assessments and similar amounts from members
- 2 Section 162(e) nondeductible lobbying and political expenditures (**do not include amounts of political expenses for which the section 527(f) tax was paid**).
  - a Current year
  - b Carryover from last year
  - c Total
- 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues
- 4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?
- 5 Taxable amount of lobbying and political expenditures (see instructions)

## **Part IV Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5; Part II-A, and Part II-B, line 1. Also, complete this part for any additional information.

**SCHEDULE D**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

► Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

**2011**

Open to Public  
Inspection

Name of the organization **AMERICAN ASSOCIATION OF HIP & KNEE SURGEONS** Employer identification number **36-3832205**

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply)	
<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year	
a Total number of conservation easements	<b>Held at the End of the Tax Year</b>
b Total acreage restricted by conservation easements	2a
c Number of conservation easements on a certified historic structure included in (a)	2b
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2c
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►	2d
4 Number of states where property subject to conservation easement is located ►	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? <input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►	
7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? <input type="checkbox"/> Yes <input type="checkbox"/> No	
9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements	

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:	
(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
(ii) Assets included in Form 990, Part X	► \$ _____
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items	
a Revenues included in Form 990, Part VIII, line 1	► \$ _____
b Assets included in Form 990, Part X	► \$ _____

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**

Schedule D (Form 990) 2011

36-3832205 Page 2

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

<p>a <input type="checkbox"/> Public exhibition b <input type="checkbox"/> Scholarly research c <input type="checkbox"/> Preservation for future generations</p>	<p>d <input type="checkbox"/> Loan or exchange programs e <input type="checkbox"/> Other _____</p>
--	--

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIV and complete the following table

c Beginning balance  
d Additions during the year  
e Distributions during the year  
f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

b If "Yes," explain the arrangement in Part XIV

	Amount
1c	
1d	
1e	
1f	

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
	717,825.	517,825.	517,825.	517,825.	
a Beginning of year balance	0.	200,000.	0.		
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	717,825.	717,825.	517,825.	517,825.	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ► 100.00 %

b Permanent endowment ► \_\_\_\_\_ %

c Temporarily restricted endowment ► \_\_\_\_\_ %

The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization

by

(i) unrelated organizations  
(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

	Yes	No
3a(i)	X	
3a(ii)	X	
3b		

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment	37,651.	26,267.	11,384.	
e Other				
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				► <b>11,384.</b>

Schedule D (Form 990) 2011

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**

Schedule D (Form 990) 2011

36-3832205 Page 3

**Part VII Investments - Other Securities.** See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
<b>Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ►</b>		

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ►</b>		

**Part IX Other Assets.** See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total. (Column (b) must equal Form 990, Part X, col (B) line 15 )</b>	►

**Part X Other Liabilities.** See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
<b>Total. (Column (b) must equal Form 990, Part X, col (B) line 25.)</b>	►

FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

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Schedule D (Form 990) 2011

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**

Schedule D (Form 990) 2011

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**Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements**

1 Total revenue (Form 990, Part VIII, column (A), line 12)	1	2,561,553.
2 Total expenses (Form 990, Part IX, column (A), line 25)	2	1,691,355.
3 Excess or (deficit) for the year Subtract line 2 from line 1	3	870,198.
4 Net unrealized gains (losses) on investments	4	<377,917.>
5 Donated services and use of facilities	5	
6 Investment expenses	6	
7 Prior period adjustments	7	
8 Other (Describe in Part XIV)	8	
9 Total adjustments (net) Add lines 4 through 8	9	<377,917.>
10 Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	492,281.

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1 Total revenue, gains, and other support per audited financial statements	1	2,202,083.
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a Net unrealized gains on investments	2a	<377,917.>
b Donated services and use of facilities	2b	
c Recoveries of prior year grants	2c	
d Other (Describe in Part XIV)	2d	35,000.
e Add lines 2a through 2d	2e	<342,917.>
3 Subtract line 2e from line 1	3	2,545,000.
4 Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a Investment expenses not included on Form 990, Part VIII, line 7b	4a	16,553.
b Other (Describe in Part XIV)	4b	
c Add lines 4a and 4b	4c	16,553.
5 Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	2,561,553.

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1 Total expenses and losses per audited financial statements	1	1,709,802.
2 Amounts included on line 1 but not on Form 990, Part IX, line 25		
a Donated services and use of facilities	2a	
b Prior year adjustments	2b	
c Other losses	2c	
d Other (Describe in Part XIV)	2d	35,000.
e Add lines 2a through 2d	2e	35,000.
3 Subtract line 2e from line 1	3	1,674,802.
4 Amounts included on Form 990, Part IX, line 25, but not on line 1		
a Investment expenses not included on Form 990, Part VIII, line 7b	4a	16,553.
b Other (Describe in Part XIV)	4b	
c Add lines 4a and 4b	4c	16,553.
5 Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	1,691,355.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

**PART V, LINE 4: OPERATING RESERVES**

**PART XII, LINE 2D - OTHER ADJUSTMENTS:**

**OREF GRANT PASS THROUGH**

**PART XIII, LINE 2D - OTHER ADJUSTMENTS:**

**OREF GRANT PASS THROUGH**

**SCHEDULE I**  
(Form 990)

OMB No 1545-0047

**2011**

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Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.  
► Attach to Form 990.

Department of the Treasury  
Internal Revenue Service

Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States

Name of the organization

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**

**Part I** General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II** Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed ►

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
UNIVERSITY OF TEXAS AT SAN ANTONIO, DEPT. OF ORTHOPAEDICS - 7703 FLOYD CURL DRIVE - SAN ANTONIO, TX 78229	74-1566031	501 (c) (3)	38,892.	0.			THE SIZE DEPENDENT EFFECTS OF POLYTHYLENE PARTICLES ON MESENCHYMAL STEM CELL BEHAVIOR. THE
AMERICAN JOINT REPLACEMENT REGISTRY - 6300 RIVER ROAD - ROSEMONT, IL 60018	27-0645591	501 (c) (3)	50,000.	0.			REGISTRY OPERATIONS

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

SEE PART IV FOR COLUMN (H) DESCRIPTIONS



**Part IV Supplemental Information**

POLYTHYLENE PARTICLES ON MESENCHYMAL STEM CELL BEHAVIOR. THE OBJECTIVE OF THE GRANT IS TO ENCOURAGE NEW INVESTIGATORS BY PROVIDING SEED AND START-UP FUNDING FOR PROMISING RESEARCH PROJECTS IN THE AREA OF ADULT RECONSTRUCTION.

**SCHEDULE J**  
**(Form 990)****Compensation Information**

OMB No 1545-0047

Department of the Treasury  
Internal Revenue ServiceFor certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

- Complete if the organization answered "Yes" to Form 990,  
Part IV, line 23.
- Attach to Form 990. ► See separate instructions.

**2011**Open to Public  
Inspection

Name of the organization

**AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS**Employer identification number  
**36-3832205****Part I Questions Regarding Compensation**

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

1b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III

<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization

- a Receive a severance payment or change-of-control payment?
- b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

- a The organization?
- b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

- a The organization?
- b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2011

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AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS

Schedule J (Form 990) 2011

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Page 2

**Part II** Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii)

Do not list any individuals that are not listed on Form 990, Part VII

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 ROBERT A. HALL	0 170,336.	0.	0.	0 5,110.	0.	0 194,587.	0.
2	0	0.	0.	0	0.	0	0.
3	0	0.	0.	0	0.	0	0.
4	0	0.	0.	0	0.	0	0.
5	0	0.	0.	0	0.	0	0.
6	0	0.	0.	0	0.	0	0.
7	0	0.	0.	0	0.	0	0.
8	0	0.	0.	0	0.	0	0.
9	0	0.	0.	0	0.	0	0.
10	0	0.	0.	0	0.	0	0.
11	0	0.	0.	0	0.	0	0.
12	0	0.	0.	0	0.	0	0.
13	0	0.	0.	0	0.	0	0.
14	0	0.	0.	0	0.	0	0.
15	0	0.	0.	0	0.	0	0.
16	0	0.	0.	0	0.	0	0.

## Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
► Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2011**

Open to Public  
Inspection

Name of the organization

AMERICAN ASSOCIATION OF HIP & KNEE  
SURGEONS

Employer identification number  
36-3832205

### FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

KNEE PATIENT CARE. SIGNIFICANT ACTIVITIES INCLUDE THE ANNUAL

CONFERENCE, SPECIALTY DAY, THE JOURNAL, SUPPORT FOR RESEARCH EFFORTS

AND ADVOCACY FOR SURGEONS.

### FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

RESEARCH GRANTS - GRANT GIVEN IN SUPPORT OF STARTING A NATIONAL JOINT  
REGISTRY.

### SPECIALTY DAY, QUALITY MEASURES PROJECT

FELLOWSHIP MATCH PROGRAMS - THE ADULT RECONSTRUCTIVE HIP AND KNEE

FELLOWSHIP MATCH PROGRAM AND THE MUSCULOSKELETAL ONCOLOGY FELLOWSHIP

PROGRAM ASSIST ORTHOPAEDIC RESIDENTS TO OBTAIN FELLOWSHIPS IN ADULT

RECONSTRUCTION OR MUSCULOSKELETAL ONCOLOGY IN AN ORDERLY WAY. THE

AMERICAN ASSOCIATION OF HIP AND KNEE SURGEONS, THE HIP SOCIETY, THE

KNEE SOCIETY AND THE MUSCULOSKELETAL TUMOR SOCIETY HAVE ESTABLISHED

THIS FELLOWSHIP MATCH PROGRAM. RESIDENTS APPLY TO HOSPITALS THAT HAVE

FELLOWSHIP PROGRAMS, AND ARE BLINDLY MATCHED TO PROGRAMS IN ORDER TO

PURSUE THEIR FELLOWSHIPS.

### FORM 990, PART VI, SECTION A, LINE 6: THE ASSOCIATION HAS THE FOLLOWING

MEMBERSHIPS: FELLOW, CANDIDATE, AFFILIATE, ASSOCIATE, RESIDENT, EMERITUS

AND HONORARY. FELLOWS AND ASSOCIATE MEMBERS CAN VOTE. ALL OTHERS DO NOT

HAVE VOTING RIGHTS.

Name of the organization <b>AMERICAN ASSOCIATION OF HIP &amp; KNEE SURGEONS</b>	Employer identification number <b>36-3832205</b>
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**FORM 990, PART VI, SECTION A, LINE 7A: MEMBERS ELECT THE OFFICERS AND BOARD AT THE ANNUAL MEETING.**

**FORM 990, PART VI, SECTION B, LINE 11: THE CPA, EXECUTIVE DIRECTOR AND TREASURER REVIEW THE 990.**

**FORM 990, PART VI, SECTION B, LINE 12C: ALL OFFICERS, COMMITTEE MEMBERS. OTHER VOLUNTEERS AND THE EXECUTIVE DIRECTOR ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST POLICY. COPIES OF THE COMPLETED CONFLICT OF INTEREST FORMS ARE AVAILABLE TO ALL VOLUNTEERS.**

**FORM 990, PART VI, SECTION B, LINE 15: THE EXECUTIVE DIRECTOR'S COMPENSATION WAS ESTABLISHED BY THE BOARD. A CONSULTANT REVIEWED THE AMERICAN SOCIETY OF ASSOCIATION EXECUTIVES AND THE ASSOCIATION FORUM OF CHICAGO'S COMPENSATION AND BENEFITS SURVEYS, AND ESTABLISHED A SALARY AROUND THE MIDPOINT FOR ASSOCIATIONS WITH THE BUDGET SIZE OF AAHKS. SALARIES ARE REVIEWED BY THE FINANCE COMMITTEE AND EXECUTIVE COMMITTEE FOR ALL EMPLOYEES AND APPROVED BY THE BOARD AS PART OF THE BUDGETING PROCESS.**

**FORM 990, PART VI, SECTION C, LINE 19: ALL GOVERNING DOCUMENTS ARE MAINTAINED IN THE ASSOCIATION'S OFFICE AND ARE AVAILABLE FOR PUBLIC INSPECTION, AS REQUIRED. THE ASSOCIATION DOES NOT CHARGE FOR MAKING COPIES, AND WILL MAIL COPIES OF PUBLIC RECORDS TO ANYONE WHO REQUESTS THEM. THE FORM 990 IS ALSO AVAILABLE ON THE GUIDESTAR.COM WEBSITE.**

**FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:**

**NET UNREALIZED LOSSES ON INVESTMENTS: -377,917.**