

INTEGRAL SYSTEMS INC /MD/

FORM 10-K/A (Amended Annual Report)

Filed 12/31/08 for the Period Ending 09/30/08

Address	5000 PHILADELPHIA WAY LANHAM, MD 20706
Telephone	3017314233
CIK	0000718130
Symbol	ISYS
SIC Code	7373 - Computer Integrated Systems Design
Industry	Computer Services
Sector	Technology
Fiscal Year	09/30

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K/A

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2008

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-18603

INTEGRAL SYSTEMS, INC.

(Exact Name of Registrant as specified in its charter)

MARYLAND
*(State or other jurisdiction of
incorporation or organization)*

52-1267968
*(I.R.S. Employer
Identification No.)*

5000 PHILADELPHIA WAY, LANHAM, MD 20706
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code:
(301) 731-4233

Securities registered pursuant to Section 12(b) of the Securities Exchange Act:
Common Stock, \$.01 par value

Securities registered pursuant to Section 12(g) of the Securities Exchange Act:
None

Indicate by a check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act of 1933. Yes No

Indicate by a check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer,” “accelerated filer,” and smaller reporting company” in Rule 12b-2 of the Securities Exchange Act of 1934.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act of 1934). Yes
No

The aggregate market value of the voting stock held by non-affiliates of the Registrant, based on the closing price on March 31, 2008, the last business day of the Registrant’s most recently completed second fiscal quarter, as reported on the NASDAQ National Market System, was approximately \$246.2 million. Shares of common stock held by each officer and director have been excluded from this computation in that such persons may be deemed to be affiliates. This amount is provided only for purposes of this report on Form 10-K and does not represent an admission by the Registrant or any such person as to the status of such person.

As of December 17, 2008, the Registrant had issued and outstanding 17,250,334 shares of common stock.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant’s definitive proxy statement for the 2009 Annual Meeting of Stockholders to be filed within 120 days after the Registrant’s fiscal year ended September 30, 2008, are incorporated by reference into Part III of this Annual Report on Form 10-K.

EXPLANATORY NOTE

Integral Systems, Inc. hereby amends its Annual Report on Form 10-K for the fiscal year ended September 30, 2008 filed with the Securities and Exchange Commission on December 24, 2008 to correct the disclosure regarding equity compensation plan information set forth under Item 12 of Part III.

PART III

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Equity Compensation Plan Information

The following table sets forth certain equity compensation plan information as of September 30, 2008 regarding equity compensation plans approved and not approved by our stockholders (shares in thousands):

<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u> (a)	<u>Weighted-average exercise price of outstanding options, warrants and rights</u> (b)	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</u> (c)
Equity compensation plans approved by security holders (1)	1,979	\$ 19.37	2,479
Equity compensation plans not approved by security holders	—	—	—
Total	1,979	\$ 19.37	2,479

(1) Reflects equity awards granted under the Integral Systems, Inc. 2008 Stock Incentive Plan, the 2002 Stock Option Plan and the 1988 Stock Option Plan and 679 thousand shares reserved for issuance under the 2008 Stock Incentive Plan and 1.8 million shares reserved for issuance under the Employee Stock Purchase Plan, all as of September 30, 2008.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, as of December 31, 2008.

I N T E G R A L S Y S T E M S , I N C .

By: /s/ WILLIAM M. BAMBARGER, JR.

William M. Bambarger, Jr.
Chief Financial Officer
(Principal Financial Officer and Principal
Accounting Officer)

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
31.1	Certification Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934, as amended.
31.2	Certification Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934, as amended.

CERTIFICATION

I, John B. Higginbotham, certify that:

1. I have reviewed this Amendment No. 1 to the Annual Report on Form 10-K/A of Integral Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Date: December 31, 2008

/s/ JOHN B. HIGGINBOTHAM

John B. Higginbotham

Chief Executive Officer and President

CERTIFICATION

I, William M. Bambarger, Jr., certify that:

1. I have reviewed this Amendment No. 1 to the Annual Report on Form 10-K/A of Integral Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Date: December 31, 2008

/s/ WILLIAM M. BAMBARGER, JR.

William M. Bambarger, Jr.
Chief Financial Officer