UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the Quarterly Period Ended June 30, 2011

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: **1-12471**

INTEGRATED SURGICAL SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**68-0232575**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
401 Wilshire Blvd., Suite 1020 **Santa Monica, California**	**90401**
(Address of Principal Executive Offices)	(Zip Code)

(310) 526-5000
(Registrant's Telephone Number, Including Area Code)

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 ☑ or No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o or No☐

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 Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☑

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

As of July 25, 2011 there were 7,972,974 shares of the registrant's common stock outstanding.

Integrated Surgical Systems, Inc.
Form 10-Q
for the six months ended June 30, 2011

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Part I. FINANCIAL INFORMATION

Item 1. Financial Statements.

Integrated Surgical Systems, Inc.
Balance Sheets

		June 30, 2011 (Unaudited)		December 31, 2010 (Audited)
Assets				
Current assets:				
Cash and cash equivalents	$	339,362	$	40,361
Investment in available-for-sale securities		2,649,524		4,015,544
Other current assets		15,086		47,160
Total current assets	$	3,003,972	$	4,103,065
Other assets:				
Cost-basis investment	$	1,000,000	$	-
Total Assets	$	4,003,972	$	4,103,065
Liabilities and stockholders' equity				
Current liabilities:				
Accounts payable	$	9,111	$	4,951
Accrued stock compensation		15,625		25,000
Conversion feature liability (Note 7)		64,544		-
Rent deposit		-		8,175
Total current liabilities		89,280		38,126
Commitments and contingencies				
Redeemable convertible preferred stock, $0.01 par value, 1,000,000 shares authorized; 168 shares issued and outstanding ($168,496 aggregate liquidation value)		168,496		168,496
Stockholders' equity:				
Common stock, $0.01 par value, 100,000,000 shares authorized; 7,930,744 and 7,822,314 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively		79,307		78,222
Additional paid-in capital		64,262,281		64,225,865
Accumulated deficit		(60,589,643)		(60,419,109)
Accumulated other comprehensive income (loss)		(5,749)		11,465
Total stockholders' equity		3,914,692		3,896,443
Total liabilities and stockholders' equity	$	4,003,972	$	4,103,065

See accompanying notes to financial statements.

Integrated Surgical Systems, Inc.
Statements of Operations
(Unaudited)

	Six Months ended June 30, 2011	Six Months ended June 30, 2010
Operating expenses		
General and administrative expenses	$ 143,480	$ 173,831
Loss from operations	(143,480)	(173,831)
Other income (expense)		
Interest and dividend income, net	39,143	39,342
Change in fair value of conversion feature	(64,544)	-
Realized loss on available-for-sale securities	(853)	(249)
Loss before income taxes	(169,734)	(134,738)
Income taxes	800	800
Net loss	$ (170,534)	$ (135,538)
Other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	$ (17,213)	$ 10,019
Comprehensive loss	$ (187,747)	$ (125,519)
Basic net loss per common share	$ (0.02)	$ (0.02)
Diluted net loss per common share	$ (0.02)	$ (0.02)
Weighted average number of shares outstanding:		
Basic	7,882,803	7,714,092
Diluted	7,882,803	7,714,092

See accompanying notes to financial statements.

Integrated Surgical Systems, Inc.
Statements of Operations
(Unaudited)

	Three Months ended June 30, 2011	Three Months ended June 30, 2010
Operating expenses		
General and administrative expenses	$ 78,933	$ 88,190
Loss from operations	(78,933)	(88,190)
Other income (expense)		
Interest and dividend income, net	11,951	17,476
Change in fair value of conversion feature	(64,544)	-
Realized loss on available-for-sale securities	(3,257)	(1,176)
Loss before income taxes	(134,783)	(71,890)
Income taxes	800	0
Net loss	$ (135,583)	$ (71,890)
Other comprehensive loss		
Unrealized loss on available-for-sale securities	$ (4,299)	$ (1,232)
Comprehensive loss	$ (139,882)	$ (73,122)
Basic net loss per common share	$ (0.02)	$ (0.01)
Diluted net loss per common share	$ (0.02)	$ (0.01)
Weighted average number of shares outstanding:		
Basic	7,907,355	7,726,785
Diluted	7,907,355	7,726,785

See accompanying notes to financial statements.

Integrated Surgical Systems, Inc.
Statements of Cash Flows
(Unaudited)

	Six Months ended June 30, 2011	Six Months ended June 30, 2010
Cash flows from operating activities		
Net loss	$ (170,534)	$ (135,538)
Adjustments to reconcile net loss to cash provided by (used in) operating activities		
Change in fair value of conversion feature	64,544	0
Stock-based compensation	37,500	25,000
Realized gain on available-for-sale-securities	853	249
Changes in assets and liabilities		
Other current assets	32,075	18,693
Accounts payable	4,159	48,824
Accrued stock compensation	(9,375)	-
Deposits	(8,175)	-
Deferred rent payable	-	(11,579)
Cash used in operating activities	(48,953)	(54,351)
Cash flows from investing activities		
Purchases of available-for-sale securities	(702,760)	(3,217,748)
Sales of available-for-sale securities	192,650	405,472
Maturities of available-for-sale securities	1,858,064	2,753,000
Cost-basis investment	(1,000,000)	-
Cash provided by (used in) investing activities	347,954	(59,276)
Net increase (decrease) in cash and cash equivalents	299,001	(113,627)
Cash and cash equivalents at beginning of period	40,361	210,966
Cash and cash equivalents at end of period	$ 339,362	$ 97,339
Supplemental cash flow disclosure:		
Income taxes paid	$ 800	$ 800

See accompanying notes to financial statements.

Integrated Surgical Systems, Inc.

Notes to Financial Statements (unaudited)

1. Organization and Operations

Integrated Surgical Systems, Inc. (the "Company") was incorporated in Delaware in 1990 to design, manufacture, sell and service image-directed, computer-controlled robotic software and hardware products for use in orthopedic surgical procedures. The Company's products were authorized to be sold through international distributors to hospitals and clinics in European Union member countries and Australia, Canada, India, Israel, Japan, Korea, New Zealand, Switzerland and South Africa.

On June 28, 2007, the Company completed the sale of substantially all of its assets. After completion of the sale, the Company became inactive, and it is no longer engaged in any business activities related to its former business described above. The Company's current operations are limited to raising additional funds to be used to maintain the Company's public company status and to complete investment(s) or a business combination if a suitable candidate for the combination is located.

On June 28, 2007, the stockholders approved the liquidation of the Company if the Company was unable to complete an acquisition or similar transaction within one year of the sale of its assets. With this approval, the stockholders also granted the Board of Directors the authority to delay, revoke or abandon any decision to liquidate without further stockholder action if it determined that the liquidation was not in the best interests of the Company or its stockholders. The Board of Directors has determined that it currently is not in the best interests of the Company and its stockholders to liquidate the Company.

On April 20, 2011, the Company purchased 363,636 shares of common stock of ClearSign Combustion Corporation, an early-stage clean energy company focused on developing technology to increase energy efficiency in most types of industrial combustion systems, for an aggregate purchase price of approximately $1,000,000, or $2.75 per share, in connection with ClearSign's private offering of up to $3,000,000 of its common stock.

2. Significant Accounting Policies

Basis of presentation

The accompanying unaudited financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial statements and with the rules and regulations under Regulation S-X of the Securities and Exchange Commission for Form 10-Q. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements presentation. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary to present fairly the financial position as of June 30, 2011 and results of operations and cash flows for the three months then ended have been included. These financial statements should be read in conjunction with the financial statements of the Company and the Company's management discussion and analysis included in the Company's Form 10-K for the year ended December 31, 2010. Interim results are not necessarily indicative of the results for a full year.

The financial statements include all the accounts of the Company.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include checking and money market accounts held in two financial institutions. The Company has a checking account at one institution with a balance of approximately $16,500 at June 30, 2011. The funds in this account are fully guaranteed by the Federal Deposit Insurance Corporation as of June 30, 2011. The Company has a money market account in a brokerage account with a second financial institution, invested in short-term federal securities and corporate bonds, with a money market cash balance of approximately $323,000 at June 30, 2011. Assets in this brokerage account are guaranteed by the Securities Investor Protection Corporation ("SIPC") up to $500,000, including up to $100,000 for cash. The remaining portion of this account portfolio was valued at approximately $2,649,000 at June 30, 2011, of which as of that date approximately $400,000 was covered by SIPC protection available after covering the cash balance, leaving approximately $2,249,000 uninsured.

Investment in Available-for-Sale Securities

The Company has a portfolio of investments in available-for-sale debt securities, which consist of fixed income debt securities, which are accounted for in accordance with Accounting Standards Codification ("ASC") 320, "Investments - Debt and Equity Securities." Management determines the appropriate classification of the securities at the time they are acquired and evaluates the appropriateness of such classifications at each balance sheet date. Available-for-sale securities are stated at fair value, and unrealized holding gains and losses, net of the related deferred tax effect, if any, are reported as other comprehensive income, a separate component of stockholders' equity.

Fair Value Measurement

Financial Accounting Standards Board ("FASB") ASC 820 *"Fair Value Measurements and Disclosures"* (formerly Statement of Financial Accounting Standards ("SFAS") No. 157) clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or a liability. As a basis for considering such assumptions, ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

- Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

- Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

In accordance with FASB ASC 820, the Company measures its cash and investment in available-for-sale securities at fair value. The Company's cash and investment in available-for-sale securities are classified within Level 1 by using quoted market prices.

The carrying value of cash accounts, other current assets, accounts payable, and accrued liabilities are considered to be representative of their respective fair values because of the short-term nature of those instruments.

Fair Value Instruments

FASB ASC 825 *"Financial Instruments"* (formerly SFAS No. 159, *"The Fair Value Option for Financial Assets and Financial Liabilities"*) permits entities to choose to measure at fair value many financial instruments and certain other items that had previously not been required to be measured at fair value. Subsequent changes in fair value for designated items are required to be reported in earnings in the current period. FASB ASC 825 also establishes presentation and disclosure requirements for similar types of assets and liabilities measured at fair value. As permitted by FASB ASC 825, the Company has elected not to use the fair value option to measure the Company's available-for-sale securities and will continue to report under FASB ASC 320, "Investments-Debt and Equity Securities". The Company has made this election because it believes the nature of its financial assets and liabilities are not so complex that they would benefit from a change in valuation to fair value.

Cost-Basis Method Valuation

Our non-marketable equity investment in ClearSign is recorded using the cost-basis method of accounting, and is classified within other long-term assets on the balance sheet as permitted by FASB ASC 325, *"Cost Method Investments"*, as the Company owns less than 20% of the voting securities and does not have the ability to exercise significant influence over operating and financial policies of the entity. See Note 5, "Investment in ClearSign" for more information.

Recently Adopted Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update 2010-06, “Fair Value Measurements and Disclosures” (Topic 820): Improving Disclosures about Fair Value Measurements. This guidance amends the disclosure requirements related to recurring and nonrecurring fair value measurements and requires new disclosures on the transfers of assets and liabilities between Level 1 (quoted prices in active market for identical assets or liabilities) and Level 2 (significant other observable inputs) of the fair value measurement hierarchy, including the reasons and the timing of the transfers. Additionally, the guidance requires a roll forward of activities on purchases, sales, issuance and settlements of the assets and liabilities measured using significant unobservable inputs (Level 3 fair value measurements). The guidance became effective for the reporting period beginning January 1, 2010, except for the disclosure on the roll forward activities for Level 3 fair value measurements, which became effective for the reporting period beginning January 1, 2011. Adoption of this new guidance did not, and the Company expects that it will not, have a material impact on the Company’s financial statements.

In December 2010, the FASB issued Accounting Standards 2010-29, “Business Combinations” (Topic 805): Disclosure of Supplementary Pro Forma Information for Business Combinations. This guidance amends the disclosure requirements by Securities and Exchange Commission filers by requiring disclosure of pro forma information for business combinations that occurred in the current reporting period. The disclosures include pro forma revenue and earnings of the combined entity for the current reporting period as though the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period. If comparative financial statements are presented, the pro forma revenue and earnings of the combined entity for the comparable prior reporting period should be reported as though the acquisition date for all business combinations that occurred during the current year had been as of the beginning of the comparable prior annual reporting period. In practice, some filers have presented the pro forma information in their comparative financial statements as if the business combination that occurred in the current reporting period had occurred as of the beginning of each of the current and prior annual reporting periods. Other filers have disclosed the pro forma information as if the business combination occurred at the beginning of the prior annual reporting period only, and carried forward the related adjustments, if applicable, through the current reporting period. This became effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. Adoption of this new guidance did not have a material impact on the Company’s financial statements.

Recently Announced Accounting Pronouncements

In May 2011, the FASB issued Accounting Standards Update 2011-04, “Fair Value Measurement” (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. This guidance amends the disclosure requirements related to recurring and nonrecurring fair value measurements and includes the following provisions: application of the concepts of highest and best use and valuation premise, introduction of an option to measure groups of offsetting assets and liabilities on a net basis, incorporation of certain premiums and discounts in fair value measurements, and the measurement of fair value of certain instruments classified in shareholders’ equity. In addition, the amended guidance includes several new fair value disclosure requirements, including, among other things, information about valuation techniques and unobservable inputs used in Level 3 fair value measurements and a narrative description of Level 3 measurements’ sensitivity to changes in unobservable inputs. The guidance becomes effective for the reporting period beginning January 1, 2012. The Company expects that adoption of this new guidance will not have a material impact on the Company’s financial statements.

In June 2011, the FASB issued Accounting Standards Update 2011-05, “Comprehensive Income” (Topic 220): Presentation of Comprehensive Income. This amended guidance eliminates the option for reporting entities to present components of other comprehensive income in the statement of stockholders’ equity. Instead, this amended guidance now requires reporting entities to present all non-owner changes in stockholders’ equity either as a single continuous statement of comprehensive income or as two separate but consecutive statements. The guidance will become effective for the reporting period beginning January 1, 2012. Adoption of this new guidance did not have a material impact on the Company’s financial statements

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

3. Income (Loss) Per Share

Basic income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period plus dilutive common stock equivalents, using the treasury stock method.

Common stock equivalents for convertible preferred stock of 535,758 were excluded from the calculation of loss per share for the six month and three month periods ended June 30, 2011 because they were not dilutive; these shares would have been dilutive if the Company had not had a net loss for the those periods. Common stock equivalents for convertible preferred stock of 679,419 shares were excluded from the calculation of loss per share for the six month and three month periods ended June 30, 2010 because they were not dilutive; these shares would have been dilutive if the Company had not had a net loss for the those periods.

A warrant for 30,000 shares, and stock options of 158,000 were excluded from the calculation of loss per share for the six months and three months ended June 30, 2011 and 2010, respectively, because their effect was anti-dilutive; these warrants and options would have been dilutive if the Company had not had a net loss for those periods.

4. Investment in Available-for-Sale Securities

The following is a summary of the Company's investment in available-for-sale securities as of June 30, 2011:

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. federal agency securities	$ 50,405	$ 795	$ -	$ 51,200
Certificates of deposit	1,813,366	17,365	(9,790)	1,820,941
Corporate securities	791,502	968	(15,087)	777,383
	$ 2,655,273	$ 19,128	$ (24,877)	$ 2,649,524

The Company's investment portfolio had a gross realized loss of $853 and $249 for the six months ended June 30, 2011 and 2010, respectively. The Company's investment portfolio had a gross realized loss of $3,257 and $1,176 for the three months ended June 30, 2011 and 2010, respectively. The Company's investment portfolio has fourteen positions with an unrealized loss as of June 30, 2011.

The cost and fair value of investment in available-for-sale debt securities, by contractual maturity, as of June 30, 2011, were as follows:

	Cost	Fair Value
Due within one year	$ 999,026	$ 993,485
Due after one year through three years	1,542,209	1,541,180
Due after three years	114,038	114,859
	$ 2,655,273	$ 2,649,524

Expected maturities will differ from contractual maturities because the issuers of certain debt securities have the right to call or prepay their obligations without any penalties. Accordingly, the Company has classified the entire fair value of its investment in available-for-sale debt securities as current assets in the accompanying balance sheets.

5. Cost-Basis Investment

On April 20, 2011, the Company purchased 363,636 shares (the "Company ClearSign Shares") of common stock of ClearSign Combustion Corporation, a privately-held Washington corporation ("ClearSign"), for an aggregate purchase price of approximately $1,000,000, or $2.75 per share, in connection with ClearSign's private offering of up to $3,000,000 of its common stock (the "ClearSign Offering"). ClearSign is an early-stage clean energy company focused on developing technology to increase energy efficiency in most types of industrial combustion systems.

This investment has been accounted for as a cost-basis investment, as the Company owns less than 20% of the voting securities and does not have the ability to exercise significant influence over operating and financial policies of the entity. The Company's investment is in an entity that is not publicly traded and, therefore, no established market for the securities exists. The fair value of a cost-method investment is not estimated if there is no identified event or change in circumstances that would have a significant adverse effect on the fair value of the investment. The Company's cost-method investment is carried at historical cost in its financial statements and measured at fair value on a nonrecurring basis. If the Company believes that the carrying value of the cost basis investment is in excess of estimated fair value, the Company's policy is to record an impairment charge in Other income (expense), net in the accompanying condensed consolidated statements of operations to adjust the carrying value to estimated fair value, when the impairment is deemed other-than-temporary. The Company will regularly evaluate the carrying value of this cost-method investment for impairment. As of June 30, 2011, no event had occurred that would adversely affect the carrying value of this investment. The Company did not record any impairment charges for this cost-method investment during the three and six months ended June 30, 2011.

6. Common Stock

The Company agreed to compensate two of its directors in the form of common stock for 2010 and 2011. Both directors are affiliated with the advisory services firm that is currently providing investment banking services to the Company. Beginning in the second quarter of 2011, the Company agreed to provide one-half of the compensation of a third director in common stock. The number of shares issued to each director is determined based upon the equivalent cash compensation accrued divided by the closing price of the Company's common stock on the day the shares were issued. See Note 7, "Redeemable Convertible Preferred Stock".

On February 16, 2011, the Company issued 18,383 and 18,940 respectively, shares of common stock to each of two directors as compensation for the three months ended September 30, 2010 and December 31, 2010, respectively. On June 2, 2011, the Company issued 16,892 shares of common stock to each of two directors as compensation for the three months ended March 31, 2011. The number of shares issued total 108,430 during the six months and 33,784 during the three months ended June 30, 2011, respectively, and the shares were valued at an average of approximately $0.35, or a total value of $37,500. The shares were valued at the closing price on the issuance date.

7. Redeemable Convertible Preferred Stock

The Company's Certificate of Incorporation authorized 1,000,000 shares of undesignated, serial preferred stock. Preferred stock may be issued from time to time in one or more series. The Board of Directors is authorized to determine the rights, preferences, privileges, and restrictions granted to and imposed upon any wholly unissued series of preferred stock and designation of any such series without any further vote or action by the Company's stockholders.

As of June 30, 2011 and December 31, 2010, the Company's only outstanding series of convertible preferred stock is the Series G Convertible Preferred Stock ("Series G").

The Series G stock has a stated value of $1,000 per share, and is convertible into common stock at a conversion price equal to 85% of the lowest sale price of the common stock on its listed market over the five trading days preceding the date of conversion, subject to a maximum conversion price. The number of shares of common stock that may be converted is determined by dividing the stated value of the number of shares of Series G to be converted by the conversion price. The Company may elect to pay the Series G holder in cash at the current market price multiplied by the number of shares of common stock issuable upon conversion.

For the period ended June 30, 2011 and the year ended December 31, 2010, no shares of Series G were converted into shares of common stock. At June 30, 2011 and December 31, 2010, the outstanding Series G shares were convertible into a minimum of 535,758 and 600,699 shares of common stock, respectively.

Upon a change in control, sale of assets or similar transaction, as defined in the Certificate of Designation for the Series G, each holder of the Series G has the option to deem such transaction as a liquidation and may redeem his or her shares at the liquidation value of $1,000, per share, for an aggregate amount of $168,496. The sale of all the assets on June 28, 2007 triggered the preferred stockholders' redemption of option. As such redemption is not in control of the Company, the Series G stock has been accounted for as if it was redeemable preferred stock and is classified on the balance sheet between liabilities and stockholders' equity.

The conversion feature of the preferred stock is considered a derivative according to ASC 815 "Derivatives and Hedging", however, the fair values of the derivative are reflected in the financial statements as a liability, which was determined to be $64,544 as of June 30, 2011 and has been included as change in fair value of conversion feature on the June 30, 2011 Statement of Operations. As of December 31, 2010, the fair value of the derivative was not material, and therefore not reflected in the annual financial statements.

8. Stock-based compensation

The Company currently has two stock option plans with outstanding options issued to its officers, employees, directors and consultants. The 1998 Stock Option Plan (“1998 Plan”) was established to grant up to 85,000 non-qualified options through May 12, 2008 to employees and other individuals providing services to the Company. Options under the 1998 Plan vest from one year to four years from the date of grant, and vested options must be exercised within 30 days of an employee’s termination. As of June 30, 2011, 158,000 options remain outstanding under the 1998 Plan. The 2000 Stock Award Plan (“2000 Plan”) was established to grant up to 100,000 incentive options through December 11, 2010 to employees, excluding officers and directors, and other individuals providing services to the Company. Options under the 2000 Plan vest from one year to four years from the date of grant, and vested options must be exercised within three months of an employee’s termination. As of June 30, 2011 and December 31, 2010, the 2000 Plan had expired; no options were available for future grant.

Under both the 1998 Plan and the 2000 Plan, exercise prices of incentive stock options may not be less than 100%, and exercise prices of non-statutory stock options may not be less than 85%, of the fair market value of the common stock on the date of the grant. For persons owning 10% or more than the voting power of all classes of the Company's stock, the exercise price of the incentive or the non-qualified stock options may not be less than 110% of the fair market value of the common stock on the date of grant. Both plans are administered by the Company's board of directors.

FASB ASC 718 “*Compensation-Stock Compensation*” (formerly SFAS 123(R)) requires entities to estimate the number of forfeitures expected to occur and record expense based upon the number of awards expected to vest. The outstanding stock options under the 2000 Plan have been fully vested and related expenses were fully amortized for the six months ended June 30, 2011.

For the six months ended June 30, 2011, option activity was as follows:

	Shares	Weighted-Average Exercise Price	Remaining Contractual Term	Aggregate Fair Value
Outstanding at beginning of period	158,000	$ 0.36		
Granted	-	-		
Expired and forfeited	-	-		
Exercised	-	-		
Outstanding at end of period	158,000	$ 0.36	1.72	$ 43,335
Exercisable at June 30, 2011	158,000	$ 0.36	1.72	$ 43,335

All of the Company’s granted and outstanding options were vested at June 30, 2011 and December 31, 2010.

As of June 30, 2011, a summary of options outstanding under the Company’s 1998 Plan and 2000 Plan was as follows:

Range of Exercise Price	Weighted-Average Remaining Contractual Life (Years)	Number Outstanding at 6/30/2011	Weighted-Average Exercise Price	Number Exercisable at 6/30/2011	Weighted-Average Exercise Price
0.00-9.99	1.72	158,000	$ 0.36	158,000	$ 0.36

In addition, the Company has outstanding 30,000 warrants issued in lieu of consulting fees, which expire in July 2014 and have an exercise price of $0.63 per share.

The Company agreed to compensate two of its directors in the form of common stock for 2010 and three of its directors in the form of common stock for 2011. The number of shares issued to each director is determined based upon the equivalent cash compensation accrued divided by the closing price of the Company’s common stock on the issuance date. The Company recorded accrued stock-based compensation of $25,000 as of December 31, 2010 for two directors. The closing stock prices on September 30, 2010 and December 31, 2010 were $0.34 and $0.33, respectively, resulting in compensation of 18,383 and 18,940 shares to each of the two directors for the third quarter and fourth quarter of 2010, respectively. These shares were issued on February 16, 2011. The Company recorded stock-based compensation for the three months ended March 31, 2011 of $12,500 total for two directors. The closing stock price on March 31, 2011 was $0.37 resulting in compensation of 16,892 shares to each of two directors for the three months ended March 31, 2011. These shares were issued on June 2, 2011. The Company recorded stock-based compensation for the three months ended June 30, 2011 of $15,625 total for three directors. The closing stock price on June 30, 2011 was $0.37 resulting in compensation of 16,892 shares to each of two directors, and 8,446 for a third director for the three months ended June 30, 2011. These shares were issued on July 7, 2011.

9. Income Taxes

The Company accounts for income taxes under FASB ASC 740 "Accounting for Income Taxes." Deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities in the Company's financial statements and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that all or some portion of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Federal and state income tax returns for the years ended December 31, 2010, 2009, 2008 and 2007 are subject to review by the taxing authorities.

The Company has evaluated and concluded that there are no uncertain tax positions requiring recognition in the Company's financial statements for the six months ended June 30, 2011. The tax expense for the six months ended June 30, 2011 is $800 and for the six months ended June 30, 2010 was $800.

Income tax provision consisted of the following for 2011:

	Federal	California	2011
Current provision	-	$ 800	$ 800
Deferred provision:			
Deferred tax – beg of year	-	-	-
Deferred tax – end of year	-	-	-
Change in deferred	-	-	-
Subtotal	-	-	-
Total Provision	-	$ 800	$ 800

Income tax provision consisted of the following for 2010:

	Federal	California	2010
Current provision	-	$ 800	$ 800
Deferred provision:			
Deferred tax – beg of year	-	-	-
Deferred tax – end of year	-	-	-
Change in deferred	-	-	-
Subtotal	-	-	-
Total Provision	-	$ 800	$ 800

As of June 30, 2011, and December 31, 2010 the Company had deferred tax assets primarily consisting of its net operating loss carryforward. However, because of the cumulative losses in several consecutive years, the Company has recorded a full valuation allowance such that its net deferred tax asset is zero.

The Company must also make judgments as to whether the deferred tax assets will be recovered from future taxable income. To the extent that the Company believes that recovery is not likely, it must establish a valuation allowance. A valuation allowance has been established for deferred tax assets which the Company does not believe meet the "more likely than not" criteria. The Company's judgments regarding future taxable income may change due to changes in market conditions, changes in tax laws, tax planning strategies or other factors. If the Company's assumptions and consequently its estimates change in the future, the valuation allowances it has established may be increased or decreased, resulting in a respective increase or decrease in income tax expense.

In July 2006, the FASB issued authoritative guidance on accounting for uncertainty in income taxes, contained in ASC 740-10, which requires that realization of an uncertain income tax position must be more likely than not (i.e., greater than 50% likelihood of receiving a benefit) before it can be recognized in the financial statements. The guidance further prescribes the benefit to be realized assuming a review by tax authorities having all relevant information and applying current conventions. The interpretation also clarifies the financial statements classification of tax related penalties and interest and set forth new disclosures regarding unrecognized tax benefits. The adoption of ASC 740-10 did not have a material impact on our results of operations, financial position or cash flow.

The Company follows guidance issued by the FASB with regard to its accounting for uncertainty in income taxes recognized in the financial statements. Such guidance prescribes a recognition threshold of more likely than not and a measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. In making this assessment, a company must determine whether it is more likely than not that a tax position will be sustained upon examination, based solely on the technical merits of the position and must assume that the tax position will be examined by taxing authorities. The Company's policy is to include interest and penalties in general and administrative expenses. There were no interest and penalties recorded for the six months ended June 30, 2011 and 2010. The Company's review of prior year tax positions using the criteria and provisions presented in guidance issued by the FASB did not result in a material impact on the Company's financial position or results of operations.

10. Related Party Transactions

In July 2008, the Company retained Tomczak & Co. CPA LLP, an accounting firm in which Michael Tomczak, who was an officer and is a director, is a partner to perform accounting and administrative services. During the six months ended June 30, 2011, the Company paid this firm $0, and during the six months and three months ended June 30, 2010, the Company paid this firm $5,758 and $478, respectively.

The Company entered into an Investment Banking Advisory Services agreement in November 2007 with MDB Capital Group, LLC ("MDB"), and the parties extended this agreement indefinitely in April 2009. The agreement may be terminated by either party upon 30-days written notice.

The Company has a securities investment account with MDB, consisting of (a) available-for-sale investments totaling $2,649,524, including short-term federal securities of $828,583 and certificates of deposit and corporate bonds totaling $1,820,941, at June 30, 2011, and (b) available-for-sale investments totaling $4,015,544, including short-term federal securities of $274,342 and certificates of deposit and corporate bonds totaling $3,741,202, at December 31, 2010.

Mr. Christopher Marlett, the Chief Executive Officer and director of the Company, is the Chief Executive Officer and a director of MDB. Mr. Gary Schuman, who is the Chief Financial Officer of the Company, is the Chief Financial Officer and Chief Compliance Officer of MDB. The Company reimburses MDB for Mr. Schuman's services in the amount of $3,000 per month, totaling $18,000 and $9,000 for the six months and three months, respectively, ended June 30, 2011 and 2010, respectively. Mr. Robert Levande, who is an officer and director of the Company, is a senior managing director of MDB.

MDB acted as placement agent in connection with the ClearSign Offering, and in consideration for its services was issued 109,091 shares of ClearSign's common stock (in lieu of a cash fee of 10% of the gross proceeds of the ClearSign Offering) and a 5-year warrant to purchase 109,091 shares of ClearSign's common stock at an exercise price of $2.75 per share. As described above, Messrs. Marlett and Levande, each an officer, director and stockholder of the Company, are the Chief Executive Officer and Senior Managing Director, respectively, of MDB.

In addition, at the close of the offering MDB received 363,636 shares of ClearSign in consideration of other consulting services provided by MDB unrelated to its role as placement agent.

11. Commitments and Contingencies

From time to time, the Company may be subject to other claims and litigation arising in the ordinary course of business. The Company is not currently a party to any legal proceedings that it believes would reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

12. Subsequent Event

On July 7, 2011 the Company issued 16,892 shares of its common stock to each of two shareholders, and 8,446 shares of its common stock to a third shareholder as compensation for services performed as members of its Board of Directors from April 1, 2011 through June 30, 2011 (Note 9), for a total of 42,230 shares.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

The discussion in this Quarterly Report on Form 10-Q contains forward-looking statements. Such forward-looking statements are based on current expectations, estimates and projections and certain assumptions made by management of Integrated Surgical Systems, Inc. (the "Company"). Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "could," "would," "may," "on target," "envisions," and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict; therefore, actual results may differ materially from those expressed or forecasted in any such forward-looking statements. Unless required by law, the Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. However, readers should carefully review the risk factors set forth in other reports or documents the Company files from time to time with the Securities and Exchange Commission ("SEC"), particularly the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and any Current Reports on Form 8-K.

The following discussion should be read in conjunction with the unaudited financial statements and notes thereto in Part I, Item 1 of this Quarterly Report on Form 10-Q and with the audited financial statements and Notes thereto, and Management's Discussion and Analysis of Financial Condition and Results of Operations that are included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 as filed with the SEC.

Overview

The Company was incorporated in Delaware in 1990 to design, manufacture, sell and service image-directed, computer-controlled robotic software and hardware products for use in orthopedic surgical procedures. The Company's products were sold through international distributors to hospitals and clinics in European Union member countries and Australia, Canada, India, Israel, Japan, Korea, New Zealand, Switzerland and South Africa.

On June 28, 2007, the Company completed the sale of substantially all of its assets. After completion of the sale, the Company became inactive, and it is no longer engaged in any business activities related to its former business described above. The Company's current operations are limited to raising additional funds to be used to maintain the Company's public company status and to complete investment(s) or a business combination if a suitable candidate for the combination is located.

On June 28, 2007, the Company's stockholders approved the liquidation of the Company if the Company was unable to complete an acquisition or similar transaction by June 28, 2008, one year after the sale of the assets. With this approval, the stockholders also granted the Board of Directors the authority to delay, revoke or abandon any decision to dissolve, without further stockholder action, if it determined that the liquidation was not in the best interests of the Company or its stockholders. The Board of Directors has determined that it currently is not in the best interests of the Company or its stockholders to liquidate the Company.

On April 20, 2011, the Company purchased 363,636 shares of common stock of ClearSign, for an aggregate purchase price of approximately $1,000,000, or $2.75 per share, in connection with ClearSign's private offering of up to $3,000,000 of its common stock. ClearSign is an early-stage clean energy company focused on developing technology to increase energy efficiency in most types of industrial combustion systems. See Note 9 above.

The agreement pursuant to which the Company purchased ClearSign Shares obligates ClearSign to, among other things, use reasonable best efforts to file a registration statement covering the registration of ClearSign's common stock within 120 days of the initial closing of the ClearSign Offering as well as to concurrently file a separate registration statement covering the Company's ClearSign Shares. As of June 30, 2011, ClearSign had not filed a registration statement. The Company's ClearSign Shares are subject to a lock-up of up to 180 days, except to the extent the Company distributes the Company's ClearSign Shares to its stockholders, in which case only those ClearSign Shares held by Messrs. Marlett and Levande shall be subject to such lock-up.

Results of Operations

Six Months Ended June 30, 2011 and 2010

For the six months ended June 30, 2011 and 2010 the Company had a net loss of $170,534 and $135,538, respectively. General and administrative expenses were $143,480 and $173,831 for the six months ended June 30, 2011 and 2010, respectively. Legal fees decreased by approximately $2,000 for the six months ended June 30, 2011 compared to the six months ended June 30, 2010, and accounting fees decreased by approximately $16,000 for the six months ended June 30, 2011 compared to the six months ended June 30, 2010 due to efforts to reduce legal and accounting costs. Insurance expense decreased by $10,000 for six months ended June 30, 2011 compared to the six months ended June 30, 2010 due to efforts to lower premiums. Net interest income was approximately $39,100 and $39,700, for the six months ended June 30, 2011 and 2010, respectively. The decrease in the current period was due to a reduction in the percentage of funds being invested in fixed income securities than in the same period of the previous year. Change in fair value of conversion feature was $64,544 for the six months ended June 30, 2011, due to the recognition of a liability associated with the fair value of the conversion feature of the Company's convertible preferred stock.

Three Months Ended June 30, 2011 and 2010

For the three months ended June 30, 2011 and 2010 the Company had a net loss of $135,583 and $71,890, respectively. General and administrative expenses were $78,933 and $88,190 for the three months ended June 30, 2011 and 2010, respectively. Legal fees increased by approximately $7,800 for the three months ended June 30, 2011 compared to the three months ended June 30, 2010 due to expense related to an investment transaction, and accounting fees decreased by approximately $12,000 for the three months ended June 30, 2011 compared to the three months ended June 30, 2010 due primarily to timing differences and efforts to reduce accounting costs. Insurance expense decreased by $5,000 for the three months ended June 30, 2011 compared to the three months ended June 30, 2010 due to efforts to lower premiums. Net interest income was approximately $11,900 and $17,600, for the three months ended June 30, 2011 and 2010, respectively. The decrease in the current period was due to a higher a reduction in the percentage of funds being invested in fixed income securities than in the same period of the previous year. Change in fair value of conversion feature was $64,544 for the three months ended June 30, 2011, due to the recognition of a liability associated with the fair value of the conversion feature of the Company's convertible preferred stock.

Liquidity and Capital Resources

The Company believes that existing cash and cash equivalents of approximately $339,000 as of June 30, 2011 will provide sufficient working capital for the Company to meet its operating plan for the balance of 2011. Short-term available-for-sale-securities can be readily liquidated to provide additional working capital. The Board of Directors has retained its directors, including a director as its Chief Executive Officer, another director as its Secretary, and the Chief Financial Officer of a related party as the Company's Chief Financial Officer, to assist with its continuing obligations under the federal securities laws and to assist with the Company's plan to evaluate various merger, acquisition or strategic alliance opportunities. The Company does not have an estimate as to when it will identify a qualified merger, acquisition or strategic alliance candidate. There is no assurance that such opportunities will be available, or if available, upon favorable terms. If the Company is unsuccessful in completing investment(s) or a suitable combination, then the Board of Directors may liquidate the Company and distribute all its remaining assets, which consist primarily of cash and available-for-sale securities, to its stockholders.

The Company anticipates that it will incur losses from continuing operations in the next 12 months, until it enters into a business combination or until its liquidation.

Cash used in operating activities was $48,953 for the six months ended June 30, 2011, and cash used in operating activities was $54,351 for the six months ended June 30, 2010. Cash provided by operating activities for the six months ended June 30, 2011 was primarily due to (i) the Company's net loss from operations of $170,534 offset by adding back non-cash expenses of $102,897 and (ii) changes in the Company's assets and liabilities of $18,684 consisting of an increase in other current assets of $32,075, an increase in accounts payable of $4,159, a decrease in accrued stock compensation of $9,375, and a decrease in deposits payable of $8,175. Cash used in operating activities for the six months ended June 30, 2010 was due primarily to (a) the Company's net loss from operations of $135,538 offset by adding back non-cash expenses of $25,000 and (b) changes in the Company's assets and liabilities of $55,938, consisting of an increase in other current assets of $18,693, an increase in accounts payable of $48,824, and a decrease in deferred rent payable of $11,579.

Cash provided by investing activities for the six months ended June 30, 2011 of $347,954 was from the sale and maturity of available-for-sale securities of $2,050,714, offset by the purchase of available-for-sale securities of $702,760 and the investment in ClearSign of $1,000,000. Cash used in investing activities for the six months ended June 30, 2010 of $59,276 was for the purchase of available-for-sale securities of $3,217,748, offset by the maturity and sale of available-for-sale securities of $3,158,472.

The Company does not have any material commitments for capital expenditures.

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, liquidity or capital resources that are material to its investors.

Critical Accounting Policies and Estimates

The Company's discussion and analysis of the financial condition and results of operations are based upon the Company's unaudited financial statements included elsewhere in this Form 10-Q and has been prepared in accordance with accounting principles generally accepted in the United States of America as disclosed in the Company's annual financial statements in its Form 10-K for the year ended December 31, 2010. Interim results are not necessarily indicative of the results for a full year.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in Available-for-Sale Securities

The Company has a portfolio of investments in available-for-sale debt securities, which consist of fixed income debt securities, which is accounted for in accordance with Accounting Standards Codification ("ASC") 320, "*Investments - Debt and Equity Securities*." Management determines the appropriate classification of the securities at the time they are acquired and evaluates the appropriateness of such classifications at each balance sheet date. Available-for-sale securities are stated at fair value, and unrealized holding gains and losses, net of the related deferred tax effect, if any, are reported as other comprehensive income, a separate component of stockholders' equity.

Financial Instruments

The Company considers the carrying amounts of financial instruments, including cash, accounts payable and accrued expenses, to approximate their fair values because of their relatively short maturities.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk represents the risk of loss that may impact the Company's financial position, operating results or cash flows due to changes in U.S. interest rates. The Company's exposure to market risk is confined to its available-for-sale investments that it expects to hold less than one year. The goals of the Company's cash investment policy are the security of the principal amount invested and fulfillment of liquidity needs. The Company currently does not hedge interest rate exposure. Because of the short-term nature of its investments, the Company does not believe that an increase in market rates would have any material negative impact on the value of its investment portfolio.

As of June 30, 2011, the Company held $339,362 in money market and checking accounts. The Company has a checking account at one major banking institution with a balance of $16,452 at June 30, 2011. This checking account is guaranteed by the Federal Deposit Insurance Corporation up to $250,000 per institution. The Company has a money market account in a brokerage account with a second financial institution, with a balance of $322,910 at June 30, 2011. The funds in the money market account at this institution are guaranteed by the Securities Investor Protection Corporation up to $100,000. The Company had uninsured money market funds of $222,910 at June 30, 2011.

Item 4. Controls and Procedures

The Company's management has established and maintains a system of disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). As of June 30, 2011, the Company's management, including the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the Company's disclosure controls and procedures. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of that date, the Company's disclosure controls and procedures were effective.

No changes to the Company's internal control over financial reporting were identified in connection with the evaluation referenced above that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of management override or improper acts, if any, have been detected. Because of the inherent limitations in a control system, misstatements due to management override, error or improper acts may occur and not be detected. Any resulting misstatement or loss may have an adverse and material effect on the Company's business, financial condition and results of operations.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, the Company may be subject to claims and litigation arising in the ordinary course of business. The Company is not currently a party to any legal proceedings that it believes would reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

Item 6. Exhibits

Exhibit No.	Description
3.1	Articles of Incorporation (1)
3.2	By-laws (1)
10.1	ClearSign Combustion Corporation Subscription Agreement, dated April 20, 2011, by and between Integrated Surgical Systems, Inc. and ClearSign Combustion Corporation (2)
31.1	Certification Pursuant to Exchange Act Rule 13a-14(a) of Christopher A. Marlett *
31.2	Certification Pursuant to Exchange Act Rule 13a-14(a) of Gary A. Schuman *
32.1	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Christopher A. Marlett *
32.2	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Gary A. Schuman *

(1) Incorporated by reference to Form SB-2 filed on July 30, 1996 (file no. 333-09207)
(2) Incorporated by reference to Form 10-Q filed on May 16, 2011
* Filed herewith

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTEGRATED SURGICAL SYSTEMS, INC.

By: /s/ Gary A. Schuman

Gary A. Schuman, Chief Financial Officer

Dated: July 29, 2011

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher A. Marlett, Chief Executive Officer of Integrated Surgical Systems, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 of Integrated Surgical Systems, Inc. (the "registrant");

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 Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
   (b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Quarterly Report, our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and
   (d) Disclosed in this Quarterly Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: July 29, 2011

By: Christopher A. Marlett
/s/ ____________________
Christopher A. Marlett
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary A. Schuman, Chief Financial Officer of Integrated Surgical Systems, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 of Integrated Surgical Systems, Inc. (the “registrant”);

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 Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
   (b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and
   (d) Disclosed in this Quarterly Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: July 29, 2011

By: Gary A. Schuman
/s/

Gary A. Schuman
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher A. Marlett, Chief Executive Officer of Integrated Surgical Systems, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2011, which this certification accompanies (the "Periodic Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 29, 2011

/s/ Christopher A. Marlett
Christopher A. Marlett
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary A. Schuman, Chief Financial Officer of Integrated Surgical Systems, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2011, which this certification accompanies (the "Periodic Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date Dated: July 29, 2011

/s/ Gary A. Schuman
Name Gary A. Schuman
Chief Financial Officer