

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

**Current Report
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 3, 2002

INTELLIGENT SYSTEMS CORPORATION

(Exact name of Registrant as specified in its charter)

Georgia (State or other jurisdiction of incorporation or organization)	1-9330 Commission file number	58-1964787 (I.R.S. Employer Identification No.)
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4355 Shackleford Road, Norcross, Georgia (Address of principal executive offices)	30093 (Zip Code)
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Registrant's telephone number, including area code: **(770) 381-2900**

NOT APPLICABLE
(Former Name or Former Address, if Changed Since Last Report)

ITEM 4. CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTANT

Effective July 3, 2002, the Board of Directors of Intelligent Systems Corporation ("Intelligent Systems"), upon the recommendation of its Audit Committee, appointed BDO Seidman, LLP as its new independent accountants. This determination followed Intelligent Systems' evaluation of proposals from accounting firms to serve as Intelligent Systems' independent accountants for its fiscal year ending December 31, 2002. On May 10, 2002, Intelligent Systems announced that it had dismissed Arthur Andersen LLP as its independent accountant.

During Intelligent Systems' two most recent fiscal years and through the date of this Form 8-K, Intelligent Systems did not consult with BDO Seidman, LLP with respect to any of the matters or reportable events set forth in Item 304(a)(2)(i) and (ii) of Regulation S-K.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Press release dated July 3, 2002

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 3, 2002

INTELLIGENT SYSTEMS CORPORATION
(Registrant)

/s/ Bonnie L. Herron
By: Bonnie L. Herron
Chief Financial Officer

Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release dated July 3, 2002

Exhibit 99.1

FOR IMMEDIATE RELEASE

For further information, call
Bonnie Herron, 770/564-5504
or email to bherron@intelsys.com

INTELLIGENT SYSTEMS APPOINTS BDO SEIDMAN AS AUDITOR

Norcross, GA – July 3, 2002 – Intelligent Systems Corporation [AMEX:INS; www.intelsys.com] announced today that it has appointed BDO Seidman, LLP as the company's independent auditor effective immediately. This determination followed Intelligent Systems' evaluation of proposals from accounting firms to serve as Intelligent Systems' independent accountants for its fiscal year ending December 31, 2002 and the earlier dismissal of Arthur Andersen as the company's auditor.

Bonnie Herron, Chief Financial Officer and Vice President, said "After a thorough analysis and review of proposals from a number of major accounting firms, our board of directors is pleased to engage BDO Seidman as the company's new independent auditor. We are convinced they have the resources and experience to provide us with timely, efficient and independent audit services."

The company intends to file today a Form 8-K with the Securities and Exchange Commission regarding the appointment of BDO Seidman.

About Intelligent Systems Corporation

For more than twenty-five years, Intelligent Systems Corporation [AMEX: INS] has identified, created, operated and grown early stage technology companies. The company has operations and investments, principally in the information technology industry. The company's consolidated subsidiaries in 2002 include VISAer, QS Technologies, CoreCard Software (all software companies) and ChemFree (industrial products). Since 1990, the company has operated the Intelligent Systems Incubator, an award-winning pioneer in privately sponsored incubators. Further information is available on the company's website at www.intelsys.com, or by calling the company's headquarters at 770/381-2900.

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