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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 2000

OR

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

COMMISSION FILE NUMBER 1-12997

MAXIMUS, INC.
(Exact Name of Registrant as Specified in its Charter)

VIRGINIA	54-1000588
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
11419 SUNSET HILLS ROAD RESTON, VIRGINIA	20190
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: (703) 251-8500

Indicate by check 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 / X / No / /

CLASS	OUTSTANDING AT FEBRUARY 9, 2001
Common Shares, no par value	21,208,997

MAXIMUS, INC.

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED DECEMBER 31, 2000

INDEX

Item 6. Exhibits and Reports on Form 8-K.

Signatures

Exhibit Index

MAXIMUS, INC.
CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS)

<TABLE>
<CAPTION>

	SEPTEMBER 30, 2000	DECEMBER 31, 2000 (UNAUDITED)
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	$ 36,975	$ 29,500
Marketable securities	1,359	206
Accounts receivable, net	102,500	113,448
Costs and estimated earnings in excess of billings	27,264	34,646
Prepaid expenses and other current assets	6,344	6,059
Total current assets	174,442	183,859
Property and equipment at cost:		
Land	2,462	2,462
Building and improvements	9,484	10,238
Office furniture and equipment	14,264	15,227
Leasehold improvements	848	882
	27,058	28,809
Less: Accumulated depreciation and amortization	(8,754)	(9,596)
Total property and equipment, net	18,304	19,213
Software development costs	7,883	10,023
Less: Accumulated amortization	(703)	(814)
Total software development, net	7,180	9,209
Deferred income taxes	1,402	1,384
Intangible assets, net	52,586	51,194
Other assets	2,989	2,909
Total assets	$256,903	$267,768
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 12,565	$12,177
Accrued compensation and benefits	17,747	13,521
Billings in excess of costs and estimated earnings	15,648	16,805
Notes payable	209	284
Income taxes payable	-	5,049
Other current liabilities	461	543
Total current liabilities	46,630	48,379
Long-term debt	555	540
Other liabilities	785	625
Total liabilities	47,970	49,544
Shareholders' equity:		
Common stock, no par value; 60,000,000 shares authorized; 21,125,844 and 21,179,702 shares issued and outstanding at September 30, 2000 and December 31, 2000, at stated amount, respectively	133,082	133,701
Accumulated other comprehensive loss	(26)	(16)
Retained earnings	75,877	84,539
Total shareholders' equity	208,933	218,224
Total liabilities and shareholders' equity	$256,903	$267,768

===========   ==========

</TABLE>

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

MAXIMUS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	THREE MONTHS ENDED DECEMBER 31, 1999	THREE MONTHS ENDED DECEMBER 31, 2000
Revenues	$89,683	$112,916
Cost of revenues	62,085	77,254
Gross profit	27,598	35,662
Selling, general and administrative expenses	15,426	19,751
Amortization of goodwill and other acquisition-related intangibles	274	1,392
Income from operations	11,898	14,519
Interest and other income	1,050	288
Income before income taxes	12,948	14,807
Provision for income taxes	5,288	6,145
Net income	$ 7,660	$ 8,662
Earnings per share:		
Basic	$ 0.36	$ 0.41
Diluted	$ 0.36	$ 0.40
Weighted average shares outstanding:		
Basic	21,001	21,145
Diluted	21,323	21,615

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MAXIMUS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN THOUSANDS)
(UNAUDITED)

	THREE MONTHS ENDED DECEMBER 31, 1999	THREE MONTHS ENDED DECEMBER 31, 2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 7,660	$ 8,662
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	1,001	2,346
Other	-	(150)
Change in assets and liabilities:		
Accounts receivable, net	(4,380)	(10,948)

Costs and estimated earnings in excess of billings	(751)	(7,382)
Prepaid expenses and other current assets	30	284
Other assets	404	80
Accounts payable	(1,591)	(388)
Accrued compensation and benefits	(5,367)	(4,226)
Billings in excess of costs and estimated earnings	(256)	1,157
Income taxes payable	2,654	5,202
Other liabilities	17	82
Net cash used in operating activities	(579)	(5,281)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of businesses, net of acquired cash	(4,884)	-
Capitalization of software development costs	-	(2,140)
Purchase of property and equipment	(973)	(1,751)
Decrease in marketable securities	3,631	1,162
Net cash used in investing activities	(2,226)	(2,729)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock	575	619
Payments on borrowings	(69)	(84)
Net cash provided by financing activities	506	535
Net decrease in cash and cash equivalents	(2,299)	(7,475)
Cash and cash equivalents, beginning of period	61,647	36,975
Cash and cash equivalents, end of period	$59,348	$29,500

</TABLE>

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

MAXIMUS, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIODS ENDED DECEMBER 31, 2000 AND 1999
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

1. ORGANIZATION AND BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normally recurring accruals) considered necessary for a fair presentation have been included. The results of operations for the three-month period ended December 31, 2000 are not necessarily indicative of the results that may be expected for the full fiscal year. These financial statements should be read in conjunction with the audited financial statements as of September 30, 2000 and 1999 and for each of the three years in the period ended September 30, 2000, included in the Company's Annual Report on Form 10-K for the year ended September 30, 2000 (File No. 1-12997) filed with the Securities and Exchange Commission on December 27, 2000.

Certain reclassifications have been made to prior year amounts to conform to current year presentation.

2. IMPACT OF NEW ACCOUNTING PRONOUNCEMENT

In December 1999, the staff of the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin No. 101, REVENUE RECOGNITION IN FINANCIAL STATEMENTS (SAB 101). SAB 101 summarizes some of the staff's interpretations of application of generally accepted accounting principles to revenue recognition, including presentation in the consolidated financial statements. The staff provided guidance due, in part, to the large number of revenue recognition issues that it has encountered in registrant filings. The Company is currently evaluating the impact that SAB 101 will have on its financial statements and intends to adopt SAB 101 sometime in fiscal 2001.

3. BUSINESS COMBINATIONS

On October 20, 1999, the Company acquired all of the outstanding shares of capital stock of Public Systems, Inc. for $5,000. In conjunction with the purchase, the Company recorded intangible assets of $4,540.

On March 20, 2000, the Company acquired all of the outstanding shares of capital stock of Crawford Consulting, Inc. for $16,750. In conjunction with the purchase, the Company recorded intangible assets of $11,887.

On March 31, 2000, the Company acquired substantially all of the government services division of 3-G International, Inc. for $7,000, plus an earn-out amount of up to $3,000 to be paid by the Company upon the achievement of certain objectives. In conjunction with the purchase, the Company recorded intangible assets of $6,730.

On April 12, 2000, CSI-MAXIMUS, Inc., a wholly owned subsidiary of the Company, acquired substantially all of the assets of Asset Works, Inc. for $8,613. In conjunction with the purchase, the Company recorded intangible assets of $8,674.

On April 14, 2000, the Company acquired all of the outstanding shares of capital stock of Valuation Resource Management, Inc. for $4,500. In conjunction with the purchase, the Company recorded intangible assets of $4,130.

On April 29, 2000, the Company acquired substantially all of the assets of Technology Management Resources, Inc. for $9,674. In conjunction with the purchase, the Company recorded intangible assets of $10,036.

On July 19, 2000, the Company acquired all of the outstanding membership interests of Strategic Partners International, LLC for $1,800. In conjunction with the purchase, the Company recorded intangible assets of $1,609.

Intangible assets are amortized using the straight-line method over periods ranging from two to fifteen years. The accumulated amortization related to intangible assets at September 30, 2000 and December 31, 2000 was $3,472 and $4,864, respectively.

4. COMMITMENTS AND CONTINGENCIES

In January 2000, the New York City Human Resources Administration submitted two contracts that it had awarded to the Company for welfare-to-work services to the Comptroller of New York City (the "Comptroller") to be registered. However, the Comptroller refused to register the contracts, alleging improprieties in the procurement process and in the Company's conduct. Although the New York Supreme Court, Appellate Division - First Department ordered the Comptroller to register the contracts in October 2000 after finding no wrongdoing in the Company's conduct, this matter continues to be the subject of investigations being conducted by certain governmental agencies. The District Attorney's Office of New York County and the United States Attorney's Office for the Southern District of New York, in response to requests made by the Comptroller, are investigating the facts underlying this matter. Both offices issued subpoenas for documents to the Company in early May 2000 and have interviewed a number of Company employees since that time. MAXIMUS believes that its actions were lawful and appropriate and continues to cooperate fully with the governmental reviews of the matter. Although there can be no assurance of a favorable outcome, the Company does not believe that this matter will have a material adverse effect on the Company's financial condition or results of operations.

The Company also is involved in various other legal proceedings in the ordinary course of its business. In the opinion of management, these proceedings involve amounts that would not have a material effect on the financial position or results of operations of the Company if such proceedings were disposed of unfavorably.

5. EARNINGS PER SHARE

The following table sets forth the components of basic and diluted earnings per share:

<TABLE>
<CAPTION>

<S>	Three Months Ended December 31, 1999 <C>	2000 <C>
Numerator:		
Net income	$ 7,660	$ 8,662
Denominator:		
Weighted average shares outstanding	21,001	21,145
Effect of dilutive securities:		
Employee stock options	322	470
Denominator for dilutive earnings per share	21,323	21,615

</TABLE>

6. SEGMENT INFORMATION

In October 2000, the Company completed a reorganization of its divisions in order to better focus and manage the Company's existing and future technology assets. The Company's core technology assets have been moved from the Consulting Group to the newly created Systems Group. Accordingly, the Company has reflected the segment information for earlier periods as if it was composed of three reportable segments rather than two reportable segments.

The following table provides certain financial information for each business segment:

<TABLE>
<CAPTION>

<S>	Three Months Ended December 31, 1999 <C>	2000 <C>
Revenues:		
Government Operations Group	$51,180	$ 60,483
Consulting Group	27,141	35,539
Systems Group	11,362	16,894
	$89,683	$112,916
Gross Profit:		
Government Operations Group	$ 11,167	$12,786
Consulting Group	11,327	15,076
Systems Group	5,104	7,800
	$ 27,598	$ 35,662
Income from operations:		
Government Operations Group	$4,961	$ 5,547
Consulting Group	5,172	7,092
Systems Group	1,765	1,880
	$11,898	$14,519

</TABLE>

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

OVERVIEW

The Company provides program management, consulting and systems services primarily to state and local government agencies in the United States. Founded in 1975, the Company has been profitable every

year since inception. The Company conducts its operations through three groups, the Government Operations Group, Consulting Group and Systems Group. The Government Operations Group administers and manages government health and human services programs, including welfare-to-work and job readiness, child support enforcement, managed care enrollment and disability services. The Consulting Group provides consulting services to state, county and local legislatures and government agencies, including health and human services, law enforcement, parks and recreation, taxation, housing, motor vehicles, labor and education. The

Systems Group is focused on providing state and local governments IT solutions through the design of new systems and integration of legacy systems. The Systems Group is also the leading provider of proprietary IT systems for fleet, asset management, criminal justice, and smart-card applications.

The Company's revenues are generated from contracts with various payment arrangements, including: (i) costs incurred plus a negotiated fee ("cost-plus"); (ii) fixed-price; (iii) performance-based criteria; and (iv) time and materials reimbursement (utilized primarily by the Consulting Group). For the fiscal year ended September 30, 2000, revenues from these contract types were approximately 19%, 47%, 18% and 16% respectively, of total revenues. Traditionally, federal government contracts have been cost-plus and a majority of the contracts with state and local government agencies have been fixed-price and performance-based. Fixed price and performance-based contracts generally offer higher margins but typically involve more risk than cost-plus or time and materials reimbursement contracts because the Company is subject to the risk of potential cost overruns or inaccurate revenue estimates.

The Government Operations Group's contracts generally contain base periods of one or more years as well as one or more option periods that may cover more than half of the potential contract duration. As of September 30, 2000, the Company's average Government Operations contract duration was approximately 2.3 years. The Company's Consulting and Systems Group contracts have performance periods that range from one month to more than two years.

The Company's most significant expense is cost of revenues, which consists primarily of project-related employee salaries and benefits, subcontractors, computer equipment and travel expenses. The Company's ability to accurately predict personnel requirements, salaries and other costs as well as to effectively manage a project or achieve certain levels of performance can have a significant impact on the service costs related to the Company's fixed price and performance-based contracts. Service cost variability has little impact on cost-plus arrangements because allowable costs are reimbursed by the client.

Selling, general and administrative expenses consist of management, marketing and administration costs including salaries, benefits, travel, recruiting, continuing education and training, facilities costs, printing, reproduction, communications and equipment depreciation.

RESULTS OF OPERATIONS

The following table sets forth, for the periods indicated, selected statements of income data as a percentage of revenues:

<TABLE>
<CAPTION>

	Three Months Ended December 31,	
	1999	2000
<S>	<C>	<C>
Revenues:		
Government Operations Group	57.1%	53.6%
Consulting Group	30.2	31.4
Systems Group	12.7	15.0
Total revenues	100.0	100.0
Gross Profit:		
Government Operations Group	21.8	21.1
Consulting Group	41.7	42.4
Systems Group	44.9	46.2
Total gross profit as a percent of revenue	30.8	31.6
Selling, general and administrative expenses	17.2	17.5
Amortization of goodwill and other acquisition related intangibles	0.3	1.2
Income from operations	13.3	12.9
Interest and other income	1.1	0.2
Income before income taxes	14.4	13.1
Provision for income taxes	5.9	5.4
Net income	8.5%	7.7%

</TABLE>

THREE MONTHS ENDED DECEMBER 31, 2000 COMPARED TO THREE MONTHS ENDED

DECEMBER 31, 1999

REVENUES. Total contract revenues increased 25.9% to $112.9 million for the three months ended December 31, 2000 from $89.7 million for the same period in 1999. Government Operations Group revenues increased 18.2% to $60.5 million for the three months ended December 31, 2000 from $51.2 million for the same period in 1999. This increase was due to an increase in the number of contracts in all four divisions of the Group plus revenue totaling $2.5 million received this quarter from entities acquired after the first quarter of last fiscal year. Consulting Group revenues increased 30.9% to $35.5 million for the three months ended December 31, 2000 from $27.1 million for the divisions in this Group for the same period in 1999. This increase was due to an increase in the number of contracts in three of the four divisions plus revenue totaling $2.1 million received this quarter from entities acquired after the first quarter of last fiscal year. Systems Group revenues increased 48.7% to $16.9 million for the three months ended December 31, 2000 from $11.4 million for the divisions in this Group for the same period in 1999. This increase was primarily due to revenue totaling $5.0 million received this quarter from entities acquired after the first quarter of last fiscal year. The growth in revenue for the entire Company was 15.2% excluding the revenue from entities acquired after the first quarter of last fiscal year.

GROSS PROFIT. Total gross profit increased 29.2% to $35.7 million for the three months ended December 31, 2000 from $27.6 million for the same period in 1999. Government Operations Group gross profit increased 14.5% to $12.8 million for the three months ended December 31, 2000 from $11.2 million for the three months ended December 31, 1999. As a percentage of Government Operations Group revenues, Government Operations Group gross profit decreased to 21.1% for the three months ended December 31, 2000 from 21.8% for the same period in 1999. The decrease was due to a slight decline in gross margins on a few projects within the Group. Consulting Group gross profit increased 33.1% to $15.1 million for the

three months ended December 31, 2000 from $11.3 million for the divisions in this Group for the same period in 1999 due to increased revenues and an increased gross profit percentage. As a percentage of Consulting Group revenues, Consulting Group gross profit increased to 42.4% for the three months ended December 31, 2000 from 41.7% for the divisions in this Group for the same period in 1999, primarily due to improved margins within the DMG-MAXIMUS division of the Group. Systems Group gross profit increased 52.8% to $7.8 million for the three months ended December 31, 2000 from $5.1 million for the divisions in this Group for the same period in 1999 due to the increased revenues and an increased gross profit percentage. As a percentage of Systems Group revenues, Systems Group gross profit increased to 46.2% for the three months ended December 31, 2000 from 44.9% for the divisions in this Group for the same period in 1999, due to improved margins within many divisions of the Group.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES. Total selling, general and administrative ("SG&A") expenses increased 28.0% to $19.8 million for the three months ended December 31, 2000 from $15.4 million for the same period in 1999. The primary reasons for the increase in SG&A costs were the increase in the number of employees of the Company to approximately 4,400 at December 31, 2000 from approximately 3,500 at December 31, 1999, the related increase in expenses necessary to support the Company's growth and the increase in marketing and proposal preparation expenditures incurred to pursue further growth. Additionally, in the quarter ended December 31, 2000, the Company incurred one-time expenses in connection with the events related to its 25th anniversary. As a percentage of revenues, SG&A expenses increased to 17.5% for the three months ended December 31, 2000 from 17.2% for the same period in 1999.

AMORTIZATION OF GOODWILL AND OTHER ACQUISITION-RELATED INTANGIBLES. In the quarter ended December 31, 2000, the Company incurred $1.4 million of amortization expense, as compared to $0.3 million for the same period in 1999. The increase is due to amortization of $56.1 million of goodwill and other acquisition-related intangible assets the Company recorded in connection with acquisitions it completed through fiscal year 2000.

INTEREST AND OTHER INCOME. The decrease in interest and other income to $0.3 million for the three months ended December 31, 2000 as compared to $1.1 million for the same period in 1999 was due to a decrease in the average balances of invested funds.

PROVISION FOR INCOME TAXES. The provision for income tax for the three months ended December 31, 2000 was 41.5% of income before income taxes as compared to 40.8% for the three months ended December 31, 1999. This increase was due to differences in the amounts of certain expense items, primarily amortization of intangible assets, some of which is not deductible for tax purposes.

LIQUIDITY AND CAPITAL RESOURCES

For the three months ended December 31, 2000, cash used in operations was $5.3 million as compared to cash used in operations of $0.6

million for the three months ended December 31, 1999. The principal reason for the increase in cash used in operations was the increase in billed accounts receivable of $10.9 million and the increase in unbilled accounts receivable of $7.4 million during the three months ended December 31, 2000, compared to an increase in billed accounts receivable of $4.4 million and an increase in unbilled accounts receivable of $0.8 million during the three months ended December 31, 1999. The increase in billed accounts receivable was due primarily to two factors: (1) one customer delaying payments pending allocation of costs among different funding agencies and (2) delays in billings caused by late approval of the federal budget. The increase in unbilled accounts receivables was due to a number of new contract startups, several contracts which have deliverable-based billings which are expected to be billed in the next few months, and a number of revenue maximization contracts for which billings were delayed pending federal approval of claims submitted. Management anticipates that accounts receivable, as measured in days of sales outstanding, will be reduced in the next few months. Cash flow was also affected because the Company accrues for incentive compensation throughout the fiscal year and makes payments to employees in October. In October 2000, those payments totaled $7.4 million compared to $7.0 million for the same period in 1999.

For the three months ended December 31, 2000, cash used in investing activities was $2.7 million as compared to $2.2 million for the three months ended December 30, 1999. Cash used in investing activities for the three months ended December 31, 2000 primarily consisted of capitalization of software costs and purchases of property and equipment.

Cash provided by financing activities during both the three months ended December 31, 2000 and the three months ended December 31, 1999 was $0.5 million, which consisted primarily of sales of stock to employees through the Company's employee stock purchase plan and stock option plan during both periods.

Management believes that the Company will have sufficient resources to meet its cash needs over the next twelve months. Such cash needs may include start-up costs associated with new contract awards, obtaining additional office space, establishing new offices, investment in upgraded systems infrastructure or acquisitions of other businesses and technologies. Cash requirements beyond the next twelve months will depend on the Company's profitability, its ability to manage working capital requirements, its rate of growth, the amounts spent on business acquisitions, if any, and the leasing of new office space, if any.

FORWARD LOOKING STATEMENTS

Statements that are not historical facts, including statements about the Company's confidence and strategies and the Company's expectations about revenues, results of operations, profitability, future contracts, market opportunities, market demand or acceptance of the Company's products are forward-looking statements that involve risks and uncertainties. These uncertainties could cause the Company's actual results to differ materially from those indicated by such forward-looking statements. These risks include reliance on government clients; risks associated with government contracting; risks involved in managing government projects; legislative changes and political developments; opposition from government unions; challenges resulting from growth; adverse publicity; and legal, economic, and other risks detailed in Exhibit 99.1 to the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2000 filed with the Securities and Exchange Commission (File No. 001-12997) on December 27, 2000.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company believes that its exposure to market risk related to the effect of changes in interest rates, foreign currency exchange rates, commodity prices and equity prices with regard to instruments entered into for trading or for other purposes is immaterial.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits. The Exhibits filed as part of this Form 10-Q are listed on the Exhibit Index immediately preceding such Exhibits, which Exhibit Index is incorporated herein by reference.

(b) Reports on Form 8-K. No Current Reports on Form 8-K were filed by the Company during the fiscal quarter ended December 31, 2000.

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 thereunto duly authorized.

MAXIMUS, INC.

Date: February 14, 2001 By: /s/ F. ARTHUR NERRET

F. Arthur Nerret
Vice President, Finance, Chief
Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT INDEX

<TABLE>
<CAPTION>

EXHIBIT NO.	DESCRIPTION
<S>	<C>
99.1	Important Factors Regarding Forward Looking Statements. Filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended September 30, 2000 (File No. 1-12997) on December 27, 2000 and incorporated herein by reference.

</TABLE>