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

AMENDMENT NO. 1
TO
FORM 10-Q/A

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

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 1999

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 (State or other jurisdiction of incorporation or organization)	54-1000588 (I.R.S. Employer Identification No.)
1356 BEVERLY ROAD MCLEAN, VIRGINIA (Address of principal executive offices)	22101 (Zip Code)

Registrant's telephone number, including area code: (703) 734-4200

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 \X\   No \ \

Class	Outstanding at May 13, 1999
Common Shares, No Par Value	20,948,591

MAXIMUS, INC.

FORM 10-Q/A, MARCH 31, 1999

EXPLANATORY NOTE

This Amendment No. 1 to the Quarterly Report on Form 10-Q/A for the fiscal quarter ended March 31, 1999 has been filed to amend Part I, Item 2 "Management Discussion and Analysis of Financial Condition and Results of Operations," in order to correct the following typographical errors:

Under the caption "Deferred Compensation and ESOP Expense" in the discussion of the Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998, the sentence that reads "During the three months ended March 31, 1998, the Company incurred $345 MILLION of expenses in connection with the combination with DMG, and DMG incurred $562 MILLION of deferred compensation and employee stock ownership plan (ESOP) expenses (emphasis added)" has been revised to read "During the three months ended March 31, 1998, the Company incurred $345 THOUSAND of expenses in connection with the combination with DMG, and DMG incurred $542 THOUSAND of deferred compensation and employee stock ownership plan (ESOP) expenses (emphasis added)."

Similarly, under the caption "Deferred Compensation and ESOP Expense in the discussion of the Six Months Ended March 31, 1999 Compared to Six Months Ended March 31, 1998, the sentence that reads "During the six months ended March 31, 1998 the Company incurred $417 MILLION of expenses in connection with the combination with DMG, and DMG incurred $957 MILLION of deferred compensation and employee stock ownership plan (ESOP) expenses (emphasis added)" has been revised to read "During the six months ended March 31, 1998 the Company incurred $417 THOUSAND of expenses in connection with the combination with DMG, and DMG incurred $957 THOUSAND of deferred compensation and employee stock ownership plan (ESOP) expenses (emphasis added)."

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

OVERVIEW

The Company provides program management and consulting services primarily to government agencies in the United States. Founded in 1975, the Company has been profitable every year since inception. The Company conducts its operations through two groups, the Government Operations Group and the Consulting 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 agencies.

As an important part of the Company's growth strategy, it has completed during the past year combinations with six consulting firms: Spectrum Consulting Services, Inc. and Spectrum Consulting Group, Inc. (collectively, "Spectrum") in March 1998; David M. Griffith & Associates, Ltd. ("DMG") in May 1998; Carrera Consulting Group ("Carrera") and Phoenix Planning & Evaluation, Ltd. ("Phoenix") in August 1998; and Control Software, Inc. ("CSI") in February 1999, all of which were accounted for as poolings of interests combinations, and Norman Roberts & Associates, Inc. ("Norman Roberts") in March 1999, accounted for as a purchase. See "Business Combinations." Prior year amounts have been restated to reflect the combinations with DMG and CSI. The Spectrum, Carrera and Phoenix combinations were accounted for as immaterial poolings of interests and, accordingly, the Company's previously issued financial statements were not restated to reflect these combinations.

The Company's revenues are generated from contracts with various payment arrangements, including: (i) costs incurred plus a fixed 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, 1998, revenues from these contract types were approximately 23%, 46%, 17% and 14%, 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, 1998, the Company's average Government Operations contract duration was 3 1/2 years. The Company's Consulting Group contracts have performance durations ranging from a few weeks to a few years. Indicative of the long-term nature of the Company's engagements, approximately 60% of the Company's fiscal 1998 revenues were in backlog as of September 30, 1997.

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. The profitability of the Consulting Group's contracts is largely dependent upon the utilization rates of its consultants and the success of its performance-based contracts.

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.

BUSINESS COMBINATIONS

As part of its growth strategy, the Company expects to continue to pursue complementary business combinations to expand its geographic reach, expand the breadth and depth of its service offerings and enhance the Company's consultant base. In furtherance of this growth strategy, the Company combined with four consulting firms during 1998 and one firm during 1999 in transactions accounted for as poolings of interests, and one firm during 1999 accounted for as a purchase.

As of March 16, 1998, the Company acquired all of the outstanding shares of capital stock of Spectrum in exchange for 840,000 shares of Common Stock. Spectrum, based in Austin, Texas, provides management consulting services that focus on assisting public sector organizations in solving complex business problems related to automation. Spectrum's operations complement and expand the Company's existing information technology and systems planning and integration consulting service offerings. At the time of the combination, Spectrum had approximately 37 consultants and three other employees.

As of May 12, 1998, the Company acquired all of the outstanding capital stock of DMG in exchange for 1,166,179 shares of Common Stock. DMG, based in Northbrook, Illinois, provides consulting services to state and local government and other public sector clients throughout the United States. DMG's operations complement the Company's existing management consulting and information technology services and expand the Company's service offerings to include a broad range of financial planning, cost management and various other consulting services aimed at the public sector. At the time of the combination, DMG had approximately 375 consultants and 40 other employees.

As of August 31, 1998, the Company acquired all of the outstanding shares of capital stock of Carrera in exchange for 1,137,420 shares of Common Stock. Carrera, based in Sacramento, California, provides consulting services that focus on assisting public sector entities implement large-scale, software-based human resource and financial systems. At the time of the combination, Carrera had 78 consultants and eight other employees.

As of August 31, 1998, the Company acquired all of the outstanding shares of capital stock of Phoenix in exchange for 254,545 shares of Common Stock. Phoenix, based in Rockville, Maryland, provides consulting services to public sector entities in planning, implementing and evaluating the utilization of various electronic commerce technologies, such as electronic benefits transfer, electronic funds transfer and electronic card technologies. At the time of the combination, Phoenix had 11 consultants and three other employees.

On December 1, 1998, the Company acquired contracts and certain assets, consisting primarily of computer equipment and office furniture from Interactive Web Systems, Inc. for $707,000. In conjunction with this transaction, the Company recorded intangible assets of $150,000.

As of February 26, 1999, the Company acquired all of the outstanding shares of capital stock of CSI in exchange for 700,212 shares of Common Stock. CSI, based in Wayne, Pennsylvania, provides fleet management software and related services to public sector entities. At the time of the combination, CSI had 46 employees.

On March 31, 1999, the Company acquired all of the outstanding shares of capital stock of Norman Roberts for $1,930,000. Norman Roberts, based in Los Angeles, California, provides executive search services for the public sector. In conjunction with the purchase, the Company recorded intangible assets of $1,880,000.

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 MARCH 31,		SIX MONTHS ENDED MARCH 31,	
	1998	1999	1998	1999
<S>	<C>	<C>	<C>	<C>
Revenues:				
Government Operations Group.....................	57.5%	55.8%	56.4%	54.7%

Consulting Group...............................	42.5	44.2	43.6	45.3
Total revenues...............................	100.0	100.0	100.0	100.0

Gross Profit:				
Government Operations Group....................	19.4	20.5	18.7	18.9
Consulting Group...............................	36.1	43.5	35.4	41.8
Total gross profit as a percent of revenue	26.5	30.7	25.9	29.3
Selling, general and administrative expenses....	15.4	16.8	16.0	16.2
Stock option compensation, merger, deferred compensation and ESOP expenses.................	1.6	0.1	1.3	0.1
Income from operations.........................	9.5	13.8	8.6	13.0
Interest and other income (expenses)...........	0.9	1.1	1.0	0.9
Income before income taxes.....................	10.4	14.9	9.6	13.9
Provision for income taxes.....................	4.0	6.2	3.6	5.6
Net income.....................................	6.4	8.7	6.0	8.3

</TABLE>

THREE MONTHS ENDED MARCH 31, 1999 COMPARED TO THREE MONTHS ENDED MARCH 31, 1998

REVENUES. Total contract revenues increased 36.3% to $76.3 million for the three months ended March 31, 1999 as compared to $56.0 million for the same period in 1998. Government Operations Group revenues increased 32.2% to $42.5 million for the three months ended March 31, 1999 from $32.2 million for the same period in 1998. This increase was due to an increase in the number of contracts in all four divisions in the Government Operations Group. Consulting Group revenues increased 42.0% to $33.7 million for the three months ended March 31, 1999 from $23.8 million for the same period in 1998. The revenue from Carrera and Phoenix, which merged with MAXIMUS subsequent to March 1998 in mergers accounted for as immaterial poolings of interests, and for which the March 1998 quarter results were not restated, was $3.5 million for the March 1998 quarter. The revenue increase for the Consulting Group from the March 1998 quarter to the March 1999 quarter, including the $3.5 million in the March 1998 quarter, was 23.7%. This increase was due to an increase in the number of contracts in the Consulting Group.

GROSS PROFIT. Total gross profit increased 57.6% to $23.4 million for the three months ended March 31, 1999 as compared to $14.8 million for the same period in 1998. Government Operations Group gross profit increased 39.5% to $8.7 million for the three months ended March 31, 1999 from $6.3 million for the three months ended March 31, 1998. As a percentage of revenues, Government Operations Group gross profit increased to 20.5% for the three months ended March 31, 1999 from 19.4% for the same period in 1998. The increase was due to improved margins in three of the four divisions of the Government Operations Group. The Consulting Group gross profit increased 70.8% to $14.7 million for the three months ended March 31, 1999 from $8.6 million for the same period in 1998 due to the increased revenues and an increased gross profit percentage. As a percentage of Consulting Group revenues, Consulting Group gross profit increased to 43.5% for the three months ended March 31, 1999 from 36.1% for the same period in 1998, due primarily to favorable revenue recognition adjustments on two Revenue Maximization type contracts, improved operating efficiencies within the CSI division, and margins at the Carrera division which were greater than the Group average of 43.5%, and which were not included in the March 1998 results as the merger occurred subsequent to that date.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES. Total selling, general and administrative ("SG&A") expenses increased 47.9% to $12.8 million for the three months ended March 31, 1999 as compared to $8.6 million for the same period in 1998. The increase in SG&A costs was due to the increased size of the Company, both in terms of revenue growth and the number of employees, which increased to 3,025 at March 31, 1999 from 2,576 at March 31, 1998. As a percentage of revenues, SG&A expenses increased to 16.8% for the three months ended March 31, 1999 from 15.4% for the same period in 1998, primarily due to the establishment of a Business Development unit at the end of fiscal year 1998, a significant increase in the size and capability of the Information Services unit, and the incurrence of expenses in connection with the integration of the merged companies into MAXIMUS.

DEFERRED COMPENSATION AND ESOP EXPENSE. During the three months ended March 31, 1999, the Company incurred $0.1 million of expenses in connection with the combination with CSI. During the three months ended March 31, 1998, the Company incurred $345 thousand of expenses in connection with the combination with DMG, and DMG incurred $562 thousand of deferred compensation and employee stock ownership plan (ESOP) expenses. DMG, with which the Company merged in May 1998, had deferred compensation and ESOP plans which were terminated after the merger. Therefore, no expense for those plans was incurred during the three months ended March 31, 1999.

INTEREST AND OTHER INCOME. The increase in interest and other income to $0.9 million for the three months ended March 31, 1999 as compared to $0.5 million for the same period in 1998 was due to an increase in the average invested funds. The increase in invested funds is due largely to the receipt of proceeds of $61.0 million from the secondary public stock offering completed in December 1998.

PROVISION FOR INCOME TAXES. The provision for income tax for the three months ended March 31, 1999 was 41.3% of income before income taxes as compared to 38.3% for the three months ended March 31, 1998. The difference in percentages was due to differences in the amounts of certain expense items which are not deductible for tax purposes between the two time periods and the incurrence of $0.2 million of additional tax expense in connection with the termination of the S-Corporation status of CSI upon its merger with the Company.

SIX MONTHS ENDED MARCH 31, 1999 COMPARED TO SIX MONTHS ENDED MARCH 31, 1998

REVENUES. Total contract revenues increased 39.8% to $148.6 million for the six months ended March 31, 1999 as compared to $106.4 million for the same period in 1998. Government Operations Group revenues increased 35.7% to $81.4 million for the six months ended March 31, 1999 from $60.0 million for the same period in 1998. This increase was due to an increase in the number of contracts in all four divisions in the Government Operations Group. Consulting Group revenues increased 45.0% to $67.2 million for the six months ended March 31, 1999 from $46.4 million for the same period in 1998. The revenue from Carrera and Phoenix, which merged with MAXIMUS subsequent to March 1998 in mergers accounted for as immaterial poolings of interests, and for which the results for the six months ended March 1998 were not restated, was $8.4 million for the six months ended March 1998. The revenue increase for the Consulting Group from the six months ended March 1998 to the six months ended March 1999, including the $8.4 million in the six months ended March 1998 was 23.7%. This increase was due to an increase in the number of contracts in the Consulting Group.

GROSS PROFIT. Total gross profit increased 57.7% to $43.5 million for the six months ended March 31, 1999 as compared to $27.6 million for the same period in 1998. Government Operations Group gross profit increased 37.7% to $15.4 million for the six months ended March 31, 1999 from $11.2 million for the six months ended March 31, 1998. As a percentage of Government Operations Group revenues, Government Operations Group gross profit increased to 18.9% for the six months ended March 31, 1999 from 18.7% for the same period in 1998. The increase was due to the improvement in gross margin for the three months ended March 31, 1999. The Consulting Group gross profit increased 71.3% to $28.1 million for the six months ended March 31, 1999 from $16.4 million for the same period in 1998 due to the increased revenues and an increased gross profit percentage. As a percentage of Consulting Group revenues, Consulting Group gross profit increased to 41.8% for the six months ended March 31, 1999 from 35.4% for the same period in 1998, due to the improvement in gross margin for the three months ended March 31 1999.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES. Total selling, general and administrative ("SG&A") expenses increased 40.9% to $24.0 million for the six months ended March 31, 1999 as compared to $17.1 million for the same period in 1998. The increase in SG&A costs was due to the increased size of the Company, both in terms of revenue growth and the number of employees, which increased to 3,025 at March 31, 1999 from 2,576 at March 31, 1998. As a percentage of revenues, SG&A expenses increased to 16.2% for the six months ended March 31, 1999 from 16.0% for the same period in 1998, primarily due to the establishment of a Business Development unit at the end of fiscal year 1998, a significant increase in the size and capability of the Information Services unit, and the incurrence of expenses in connection with the integration of the merged companies into MAXIMUS.

DEFERRED COMPENSATION AND ESOP EXPENSE. During the six months ended March 31, 1999, the Company incurred $0.1 million of expenses in connection with the combination with CSI. During the six months ended March 31, 1998, the Company incurred $417 thousand of expenses in connection with the combination with DMG, and DMG incurred $957 thousand of deferred compensation and employee stock ownership plan (ESOP) expenses. DMG, with which the Company merged in May 1998, had deferred compensation and ESOP plans which were terminated after the merger. Therefore, no expense for those plans was incurred during the six months ended March 31, 1999.

INTEREST AND OTHER INCOME. The increase in interest and other income to $1.3 million for the six months ended March 31, 1999 as compared to $1.1 million for the same period in 1998 was due to an increase in the average invested funds. The increase in invested funds is due largely to the receipt of proceeds of $61.0 million from the secondary public stock offering which was completed in December 1998.

PROVISION FOR INCOME TAXES. The provision for income tax for the six months ended March 31, 1999 was 40.5% of income before income taxes as compared to 37.4% for the six months ended March 31, 1998. The difference in percentages was due to differences in the amounts of certain expense items which are not deductible for tax purposes between the two time periods and the incurrence of $0.2 million of additional tax expense in connection with the termination of the S-Corporation status of CSI upon its merger with the Company.

LIQUIDITY AND CAPITAL RESOURCES

For the six months ended March 31, 1999, cash provided by operations was $10.0 million as compared to $2.8 million for the six months ended March 31, 1998. The principal reason for the increase in cash provided by operations for the six months ended March 31, 1999 compared to the three months ended March 31, 1998 was the increase in net income to $12.3 million from $6.4 million . Additionally, there was a decrease in accounts receivable, billed and unbilled, to $79.1 million at March 31, 1999 from $82.9 million at December 1998 . This decrease of $3.8 million was achieved due to receipt of payments on overdue billings from a few large customers.

For the six months ended March 31, 1999, cash used in investing activities was $65.1 million as compared to $8.6 million cash provided by investing activities for the six months ended March 31, 1998. The $65.1 million used in investing activities for the six months ended March 31, 1999 primarily consisted of the purchase of marketable securities totaling $54.1 million with the proceeds from the secondary, $8.0 million for the purchase of a 60,000 square foot office building in Reston, Virginia to serve as corporate headquarters and the purchase of Norman Roberts, an executive search firm, on March 31, 1999, for $1.9 million.

Cash provided by financing during the six months ended March 31, 1999 was $60.3 million, which consisted primarily of the $61.0 million of proceeds, net of offering expenses, from the secondary stock offering completed in December 1998. During the six months ended March 31, 1998, cash used in financing activities consisted primarily of $5.7 million of S-Corporation cash distributions paid to the S-Corporation shareholders, based upon the undistributed earnings of the Company taxable to the shareholders through the date of the IPO. Also, during the six months ended March 31, 1998, consistent with their past practices, Spectrum, Phoenix and CSI paid S-Corporation cash distributions totaling $1.0 million based upon pre-merger taxable income.

The Company has a $10.0 million revolving credit facility (the "Credit Facility") with a bank, which may be used for borrowing and the issuance of letters of credit. Outstanding letters of credit totaled $0.5 million at March 31, 1999. The Credit Facility bears interest at a rate equal to LIBOR plus an amount which ranges from 0.65% to 1.25% depending on the Company's debt-to-equity ratio. The Credit Facility contains certain restrictive covenants and financial ratio requirements, including a minimum net worth requirement of $60 million. The Company did not use the Credit Facility to finance its working capital needs for the six months ended March 31, 1999 and 1998. At March 31, 1999, the Company had $9.5 million available under the Credit Facility.

Management believes that the Company will have sufficient resources to meet its cash needs over the next 12 months, which 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 12 months will depend on the Company's profitability, its ability to manage working capital requirements and its rate of growth.

YEAR 2000

The Company is aware of the issues that many computer, telecommunication and other infrastructure systems will face as the millennium ("Year 2000") approaches. The Company is auditing its internal software and hardware and implementing corrective actions where necessary to address Year 2000 problems. The Company is also reviewing the software and hardware of, and implementing corrective actions where necessary at its DMG, Carrera, Spectrum, Phoenix and

CSI divisions. The Company will continue to assess the need for Year 2000 contingency plans as its remediation efforts progress. The Company estimates that its remediation efforts will be completed by July 31, 1999. The Company does not believe that the cost of these efforts will be material or will have a material impact on its operations or financial results. However, there can be no assurance that those costs will not be greater than anticipated, or that corrective actions undertaken will be completed before any Year 2000 problems could occur.

The Company also provides assistance in assessing, evaluating, testing and certifying government client systems affected by Year 2000 problems, as well as quality assurance monitoring of Year 2000 compliance conversions performed for clients by third parties. Although the Company has attempted to contract to provide such services in a manner that will minimize its liability for system failures, there can be no assurance that the Company would not become subject to legal proceedings which, if resolved in a manner adverse to the Company, could have a material adverse effect on its financial condition.

The Company relies to varying extents on information processing performed by the governmental agencies and entities with which it contracts. The Company has inquired where necessary of such agencies and entities of potential Year 2000 problems, and, based on responses to such inquires, management believes that the Company would be able to continue to perform on such contracts without material negative financial impact. However, the Company cannot be certain that Year 2000 related systems failures in the information systems of clients will not occur and, if such failures occur, that they will not interfere with the Company's ability to properly manage a contracted project and result in a material adverse effect on the Company's business, financial condition and results of operations.

FORWARD LOOKING STATEMENTS

Statements that are not historical facts, including statements about the Company's confidence and strategies and the Company's expectations regarding its ability to obtain future contracts, expand its market opportunities or attract highly-skilled employees, are forward looking statements that involve risks and uncertainties. These risks and uncertainties include legislative changes and political developments adverse to the privatization of the provision of government services; risks related to completed or future acquisitions; opposition from government employee unions; reliance on key executives; impact of competition from similar companies; and legal, economic and other risks detailed in Exhibit 99 to this Quarterly Report on Form 10-Q for the period ended March 31, 1999.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Amendment No. 1 to the Quarterly Report on Form 10-Q/A to be signed on its behalf by the undersigned thereunto duly authorized.

MAXIMUS, INC.

Date: June 1, 1999 By: /s/ F. ARTHUR NERRET

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