

MAXIMUS INC
Form 10-Q
August 07, 2008
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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, 2008

Commission File Number: 1-12997

MAXIMUS, INC.

(Exact name of registrant as specified in its charter)

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Virginia
(State or other jurisdiction of
incorporation or organization)

11419 Sunset Hills Road
Reston, Virginia
(Address of principal executive offices)

54-1000588
(I.R.S. Employer
Identification No.)

20190
(Zip Code)

(703) 251-8500

(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition 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 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 No

As of August 1, 2008, there were 18,650,989 shares of the registrant's common stock (no par value) outstanding.

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Quarterly Report on Form 10-Q

For the Quarter Ended June 30, 2008

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Throughout this Quarterly Report on Form 10-Q, the terms we, us, our and MAXIMUS refer to MAXIMUS, Inc. and its subsidiaries.

Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements.****MAXIMUS, Inc.****CONDENSED CONSOLIDATED BALANCE SHEETS****(Dollars in thousands)**

	September 30, 2007 (Note 1)	June 30, 2008 (unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 70,472	\$ 77,944
Marketable securities	126,210	
Restricted cash	325	327
Accounts receivable billed, net of reserves of \$29,939 and \$33,854	127,288	126,793
Accounts receivable unbilled	40,912	49,721
Current portion of note receivable		733
Income taxes receivable		1,684
Deferred income taxes	17,409	10,255
Prepaid expenses and other current assets	9,067	8,885
Current assets of discontinued operations	7,054	347
Total current assets	398,737	276,689
Property and equipment, at cost	82,248	87,871
Less accumulated depreciation and amortization	(46,592)	(54,072)
Property and equipment, net	35,656	33,799
Capitalized software	61,191	66,679
Less accumulated amortization	(31,651)	(36,965)
Capitalized software, net	29,540	29,714
Deferred contract costs, net	8,116	5,435
Goodwill	83,576	83,576
Intangible assets, net	3,603	2,452
Note receivable, net of deferred gain and interest income of \$3,969		1,639
Other assets, net	2,418	3,659
Noncurrent assets of discontinued operations	2,818	
Total assets	\$ 564,464	\$ 436,963
LIABILITIES AND SHAREHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 50,870	\$ 51,802
Accrued compensation and benefits	28,360	29,417
Current portion of deferred revenue	38,404	33,836
Current portion of income taxes payable	5,487	
Current portion of capital lease obligations	1,627	830
Other accrued liabilities	1,387	1,037

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Current liabilities of discontinued operations	5,457	200
Total current liabilities	131,592	117,122
Capital lease obligations, less current portion	417	
Deferred revenue, less current portion	10,143	9,061
Income taxes payable, less current portion		1,935
Deferred income taxes	12,912	11,810
Total liabilities	155,064	139,928
Shareholders' equity:		
Common stock, no par value; 60,000,000 shares authorized; 22,194,489 and 18,650,241 shares issued and outstanding at September 30, 2007 and June 30, 2008, at stated amount, respectively	299,846	311,143
Treasury stock, at cost; 4,490,073 and 8,248,530 shares at September 30, 2007 and June 30, 2008, respectively	(124,637)	(275,025)
Accumulated other comprehensive income	1,730	3,012
Retained earnings	232,461	257,905
Total shareholders' equity	409,400	297,035
Total liabilities and shareholders' equity	\$ 564,464	\$ 436,963

See notes to unaudited condensed consolidated financial statements.

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MAXIMUS, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share data)

(Unaudited)

**Three Months
Ended June 30,**
2007 **2008**

**Nine Months
Ended June 30,**