

CALLING FOR JUSTICE:

RACIAL INEQUITY

**AT THE LARGEST FEDERAL
CALL CENTER CONTRACTOR**

MARCH 2023

CWA  **NAACP**

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Introduction

In the first two years of the Biden administration, the federal government has made significant efforts to examine its role in structural racism and seek opportunities to promote racial equity and justice. In that spirit, this report examines one of the nation's largest federal service contractors, Maximus, in terms of its record on racial equity.

According to recently-released workforce data, Maximus' frontline workforce depends heavily on the work of Black and Latina women, who make up almost half (48%) of the lowest-ranking workers in the company, such as customer service representatives in call centers for the Affordable Care Act (ACA) and Medicare, yet only 5 percent of top executives. This imbalance is in stark contrast to the workforces of federal agencies like the Internal Revenue Service (IRS) and Social Security Administration (SSA), where workers of color and women are represented consistently throughout the organization, including in leadership roles.

What could be driving these stark imbalances at a major federal contractor? Interviews of frontline Maximus workers suggest that the company does not have a well-defined career ladder, and either lacks or makes inaccessible opportunities for training and staff development. Instead, workers reported feeling that advancement opportunities are shrouded in mystery and sometimes affected by favoritism. A survey of frontline workers in January 2023 found that a majority of workers who completed the survey have applied for better jobs within the company and that three in four believe that it is difficult for people like them to advance within Maximus.

At the middle management level, an analysis of public LinkedIn profiles found that the vast majority of current managers at Maximus (68%) were hired as external applicants for management roles rather than being promoted from within the company. Only 2 percent of current Maximus managers on LinkedIn appear to have been promoted from frontline customer service roles. At the executive level, news releases put out by the company suggest that 87 percent of the executives hired since March 2022 were white, and 67 percent were male.

In spite of these findings, Maximus claims that it has made major progress on diversity since 2021, and has granted cash bonuses tied to diversity metrics and activities for its all-white group of top executives that total more than \$1.49 million.

Investigating Maximus' disappointing track record on racial equity is an important opportunity for the Biden administration to ensure equitable opportunities for historically marginalized workers such as the Black and Latina women who deliver the services that millions of Americans depend on every day.

Who is Maximus?

MAXIMUS, Inc. is a publicly traded company specializing in business process outsourcing for U.S. and foreign government agencies, primarily in the fields of health and social services. The company reported \$4.63 billion in revenue for the fiscal year 2022, and a workforce of over 52,000 as of September 2022.¹ Nearly all of Maximus's revenue comes from business with government agencies, primarily in the United States. In FY2022, the company generated \$3.86 billion in revenue from contracts with federal, state, and local governments in the U.S., which accounted for 83.5% of its total revenue. Nearly half of its revenue in FY2022—\$2.26 billion—came from contracting with the federal government.²

Maximus' single largest contract is with the Centers for Medicare and Medicaid Services (CMS) to provide call center services to handle 1-800 calls to Medicare and the Affordable Care Act Federally Facilitated Marketplace (FFM). This nine-year Contact Center Operations (CCO) contract is valued at \$6.6 billion. About 10,000 customer service agents are employed under this contract out of ten call centers in eight states.³ Employees at these call centers, which are almost all located in the South, are mostly women of color. The workforce at the Hattiesburg, Mississippi call center, for example, is about 86% people of color and 85% female.⁴

Maximus' Opposition to Racial Equity Transparency

In the aftermath of the murder of George Floyd and the resulting protests around racial injustice, Maximus made a series of efforts to tout its commitment to diversity, equity, and inclusion (DEI). This included hiring a director to oversee the company's DEI program,⁵ which includes providing unconscious bias trainings to management.⁶ The company also boasts the recognition it has received for the diversity of its workforce.⁷ Despite these claims, the company has opposed efforts to achieve meaningful racial equity transparency

at the company that would provide a fuller picture of the company's impacts on communities of color.

In 2022, Maximus's Board of Directors actively opposed a shareholder proposal calling for the company to conduct a racial equity audit with the input of civil rights organizations and employees. Disregarding Maximus' opposition, shareholders overwhelmingly passed the racial equity audit proposal with 64% of the vote.⁸

Similarly, Maximus has tried to prevent the release of its workforce demographic data. As a large employer and federal contractor, Maximus is required to submit to the U.S. Equal Employment Opportunity Commission (EEOC) EEO-1 Type 2 Consolidated reports (EEO-1 reports) annually. These EEO-1 reports provide summary racial and gender data on its workforce in the United States within the different tiers of its corporate hierarchy.⁹

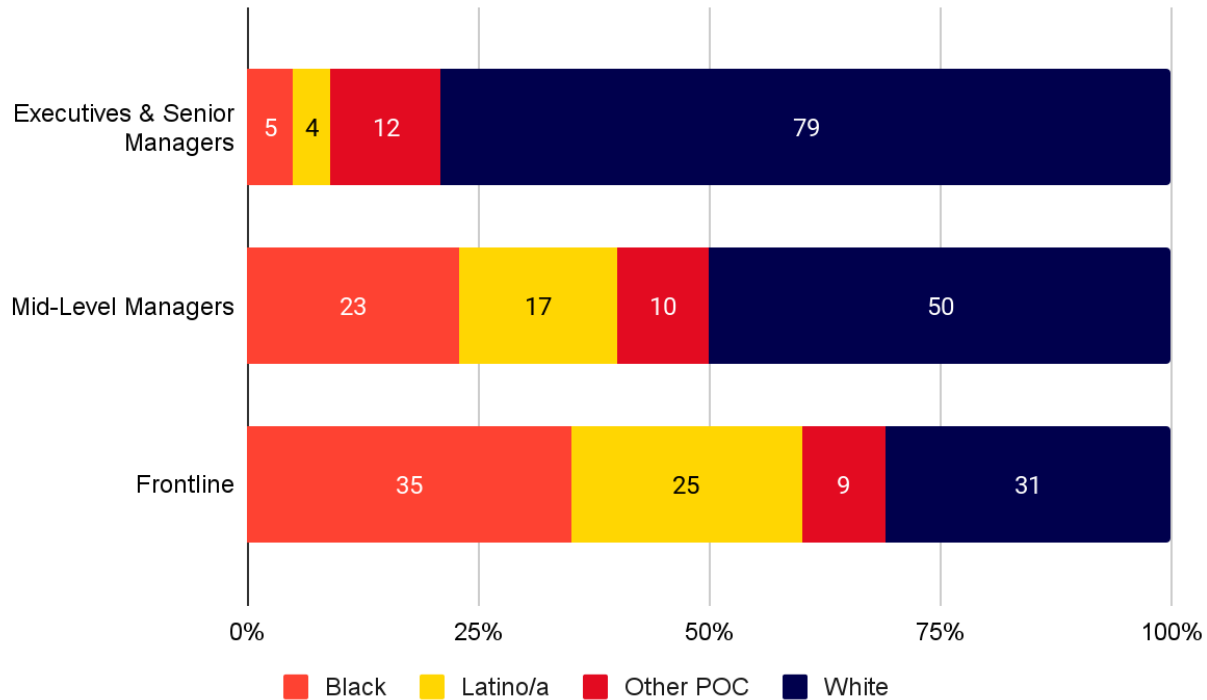
In 2022, Maximus objected to releasing EEO-1 reports in response to a Freedom of Information Act (FOIA) request submitted by Communications Workers of America. After shareholders filed a proposal calling for the company to release its EEO-1 data publicly, Maximus reversed course and quietly posted its EEO-1 report for 2021 on its website in early November 2022.¹⁰

Maximus' Workforce Data Reveals Disparities

An analysis of Maximus' workforce demographic data from its newly released 2021 EEO-1 report shows stark racial and gender inequities at the company.

Maximus' 2021 workforce data shows that the company had 30,714 employees in the United States. As a company that provides contracted customer service functions, Maximus' workforce is heavily weighted toward the lower ranking positions known as "administrative support," which makes up three quarters of all its workers in the U.S. The vast majority of these frontline workers are women (76%) and people of color (69%).¹¹ Yet Maximus' upper management and executive leadership do not reflect the diversity of its frontline workforce. While white men make up only 9 percent of frontline workers, they account for nearly 50 percent of executives. Black and Latina women are the single largest group of frontline workers at 48 percent, but they represent only five percent of executives.

Maximus 2021 Workforce Demographics



Source: Maximus EEO-1 Consolidated Report, 2021.

Federal Workforce Data in Stark Contrast with Maximus

The severity of inequity at Maximus is made much clearer when compared to the demographics at the Internal Revenue Service (IRS) and Social Security Administration (SSA), two federal agencies that also employ thousands of federal contact center workers to assist Americans with government programs.

Black workers made up 29 percent of the IRS workforce of 82,371 as of December 2021.¹² At the non-supervisory level, 30 percent of workers were Black, while among those at the “leader” level, 26 percent were Black.¹³ Women are well-represented in the IRS, composing 65 percent of its non-supervisory staff and 74 percent of its leaders, respectively.¹⁴

Similarly, demographic data show that SSA has also been much more successful at achieving racial and gender equity than Maximus. Black workers made up 30 percent of the SSA workforce of 60,422 as of December 2021. At the non-supervisor level, 31 percent of employees were Black or African American, while among those at the leader level, 33

percent were Black or African American. The proportion of women at the non-supervisory and leader levels are nearly identical, at 65 percent and 66 percent, respectively.

The IRS and SSA are models of equity in comparison to the vast racial and gender disparities that exist at Maximus and show what is possible when federal agencies are committed to equitable opportunities for all workers.

Examining Maximus' Performance on Racial Equity and Internal Opportunities for Advancement

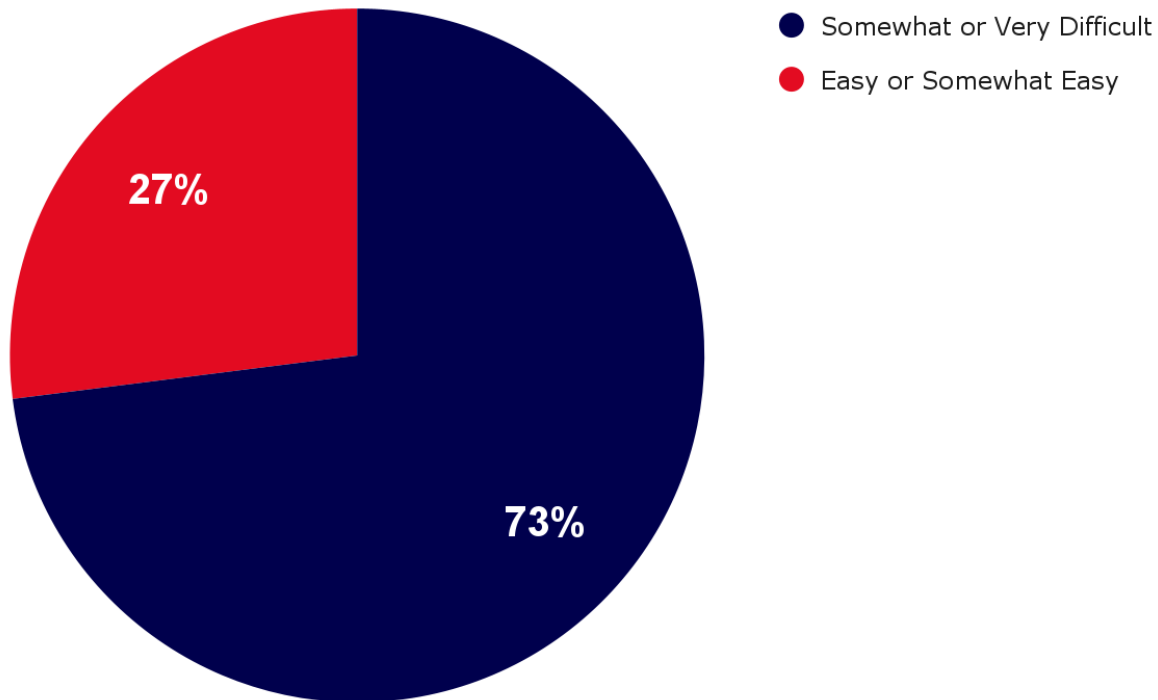
In light of the stark racial and gender inequities shown by Maximus' workforce demographic data, what could explain the company's poor performance? The following sections explore several policies and practices that may contribute to the company's concerning record.

Maximus Call Center Workers Report No Clear Career Ladder, Barriers to Advancement

In a series of recent interviews, frontline workers at Maximus' federal call centers report the company's practices may perpetuate the lopsided demographics evident in its workforce data. Workers consistently reported that they were not aware of any career path or training to support advancement within the company. They also reported feeling that there was inadequate communication about opportunities for advancement and in some instances, favoritism. Due to these practices, many Maximus frontline call center workers interviewed, who are predominantly women and people of color, reported having little, if any, hope of advancing beyond the lowest rungs of the corporate hierarchy.

Call Center Workers United-CWA conducted an online survey of nearly 300 frontline Maximus call center workers in January 2023. Of the workers surveyed, more than six in ten reported that they had applied for a higher position with the company. Of workers who had applied for a higher position, nearly three quarters said they were either turned down for the position or didn't hear anything back. Three out of four workers (74%) said that it is somewhat or very difficult for people like them to advance at Maximus.¹⁵

How difficult is it for people like you to advance their careers at Maximus?



Source: Call Center Workers United Online Survey, January 2023

One of the greatest obstacles interviewed workers reported facing is the absence of a transparent career ladder that provides a path for advancing beyond the lowest-paid positions. There's "no clear career ladder, no clear steps of advancement, no clear sense of the criteria to advance," explains Camille Wade, who has worked at the call center Maximus operates in Bogalusa, Louisiana, for over eight years. Keaira Mark, who works on the company's CDC contact center contract in Hattiesburg, Mississippi, says, "I've been [at Maximus] for over two years and can't move up. It's static. . . I've only been informed about opportunities to move to [other positions], which pay the same as what I make now. Since I've been there, I haven't heard of any openings for positions higher than where I am now." Daija Arrington, who works in Maximus' Hattiesburg call center, said, "I feel discouraged from applying to other supervisor positions because my applications have either been met with silence or rejection. I have never been told why my applications were denied or what steps I could take to help me advance to a supervisor job."

Workers also report a lack of training to prepare them to apply for higher level positions at the company. "There is no training program that I know of that prepares people who walk in the door at the frontline level to advance," says Jasmine Garraway, who has worked at Maximus' Hattiesburg call center for three years. When Katrina Berry, who has worked at

the CMS call center in Bogalusa for eight years, applied for a supervisor position, she was not even interviewed for the position after she was told that she failed a test for which she had received no training.

Another challenge workers face is that information about opportunities for advancement can be difficult to access. Maximus maintains an internal jobs portal that workers can only easily access while at work when finding time to look at job postings is difficult. “There’s no time between calls to be able to access the internal [job] postings,” explains Valerie Wade-Williams, who works at the Bogalusa call center. “During your shift, you could go and look at the postings during break and lunch, but once your shift has ended, you can’t use the work laptop. I’m not even sure how to access the job postings outside of work.”

Inconsistent communication from management to workers about opportunities to advance compounds the challenges workers face, given the difficulty of accessing this information. According to Valerie Wade-Williams, “When they had the classes to become a dual-trained [Medicare and Obamacare Marketplace] representative, I don’t recall seeing any information about the classes. . . I’ve never seen a memo that says the classes are starting to train people to be dual agents. I know that there are people who become dual Medicare/Marketplace agents, but that’s because they’ve been told about it.”

In the absence of a clear system for advancement and adequate communication about promotion opportunities, workers interviewed reported that favoritism based on personal relationships with supervisors and managers appeared to be a factor in who gets promoted within the low-level non-management positions. According to Valerie Wade-Williams, “At Maximus, there’s no real career path; they tap on the shoulders of the ones that they want to advance.” Daija Arrington, a Tier 2 agent at CDC, states: “Neither a supervisor nor a manager has ever talked to me about my career path or opportunities for promotion at Maximus. I am unaware of any employee resource support groups, mentorship opportunities, or opportunities for professional development. I have never been offered or made aware of training opportunities at work that would help me advance within the company.” These workers’ belief that favoritism often determines who advances is borne out by their reports that management will tell some workers about opportunities to advance without telling others and that workers have, at times, been offered promotions without even applying.

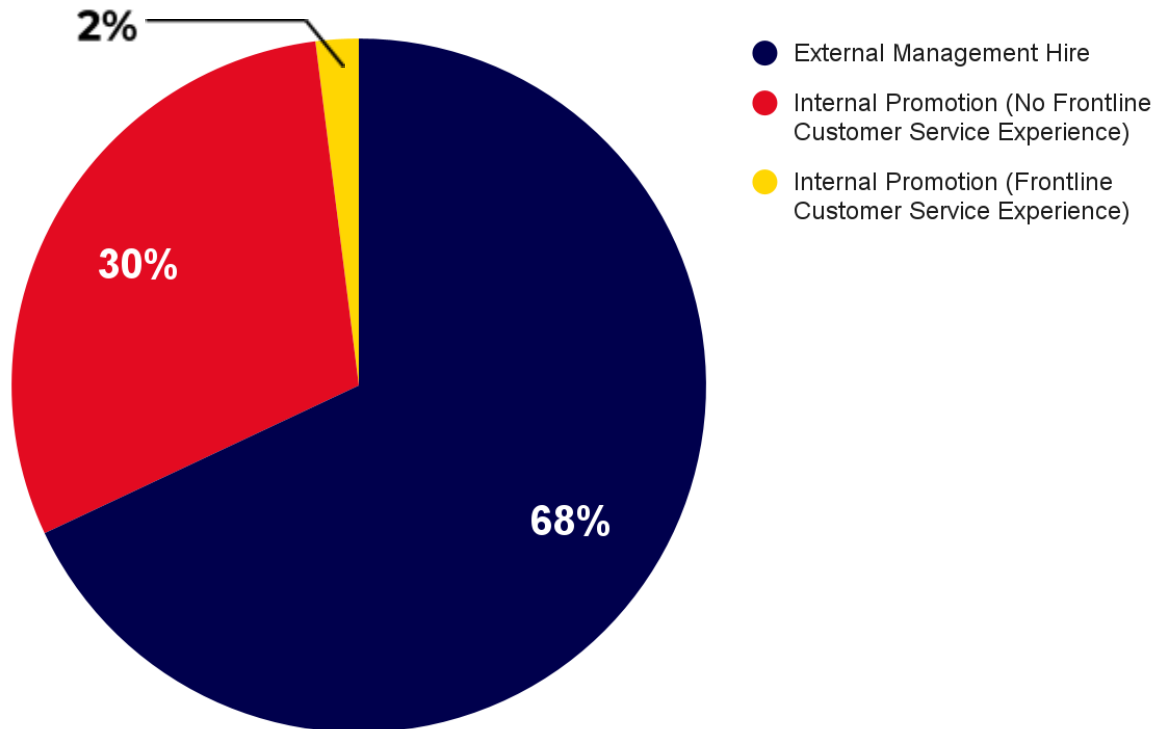
Analysis of Mid-Level Managers at Maximus Points to Advancement Barriers

In a company with a functioning career ladder and internal staff development system, many mid- and upper-level managers would rise through the ranks from the frontline

workforce. At Maximus, even though Black and Latina women make up nearly half (48%) of frontline workers, they make up just over one quarter (27%) of mid-level managers. An analysis of public LinkedIn profiles for 939 current Maximus managers suggests that the company's hiring and promotion practices may contribute to the inequities in management roles. This analysis looked at managers' previous jobs to learn whether Maximus is developing talent from within or hiring from outside.

According to LinkedIn data, the vast majority of current mid-level managers at Maximus (68%) were initially hired as managers without having previous experience at the company. Very few current managers appear to have risen through the ranks from frontline customer service positions. This analysis of LinkedIn profiles only found 20 current Maximus managers who held prior customer service roles at Maximus, representing only two percent of mid-level managers in the data set.¹⁶ This data suggests that of the tens of thousands of frontline customer service workers that Maximus has employed in recent years, only a minuscule number of these have made it past the very bottom of the corporate ladder and into mid-level management positions.

Background of Current Maximus Managers on LinkedIn, 2023



Source: Analysis of LinkedIn Profiles, 2023

The picture that emerges from this analysis of Maximus' management aligns with the critique from surveyed frontline call centers workers that jobs at the bottom of the Maximus corporate pyramid are very much dead-end jobs, leaving workers without much hope for advancement to positions in corporate leadership. Since Maximus' frontline workers are predominantly women and people of color, this apparent failure to develop and promote from within would likely have a disparate impact on these historically marginalized workers.

Maximus' Track Record on Equity

"Most of the workers at our call center in Hattiesburg are Black women. It's hard to ignore the connection between who we are and how we're treated."

- Beatrice Berry, Maximus call center worker in Mississippi

The lopsided and unrepresentative corporate leadership at Maximus—which skews heavily white and male—is problematic. This is perhaps most true for employees who are people of color and female, as demonstrated in allegations of racial discrimination, workers rights' violations, and unequal treatment of workers at both ends of the corporate ladder.

At the top of the corporate ladder, one of the very few Black executives at Maximus filed a racial discrimination suit against the company in July 2022, outlining allegations of prolonged racial abuse and hostility he faced at Maximus.¹⁷ Maximus denies the allegations and the parties are wrapping up the discovery phase of the lawsuit.

At the other end of the corporate ladder, frontline Maximus workers, who are mostly women and people of color, have faced workers' rights violations and unfair treatment. Maximus has responded to workers' efforts to improve their working conditions—led largely by Black women in the South—with intimidation tactics.

For example, the National Labor Relations Board (NLRB) has investigated two separate Unfair Labor Practice (ULP) charges alleging police were called on call center workers engaging in protected labor activity.

In the first instance, workers filed a ULP charge in April 2019 alleging that Maximus unlawfully interfered with protected activity by calling the police on workers and union organizers who were passing out union flyers to employees in the parking lot of the Bogalusa, Louisiana, call center. People of color make up about 75% of the workforce at this call center.¹⁸ "All we were trying to do was spread the word about a union barbecue we'd be holding the next day," explains a Bogalusa call center worker, "and Maximus management called its whole security force and the town police on us to try and intimidate us out of

talking to our coworkers.”¹⁹ After investigating this charge, Region 15 of the NLRB issued a complaint against Maximus for unlawful conduct. Maximus settled this ULP charge shortly before trial in August 2021.²⁰

In the second instance, police were called on call center workers in Chester, Virginia, who were on strike in August 2022 to protest their poor working conditions. The workforce at the Chester call center is about 84% people of color.²¹ A ULP charge regarding this incident is currently pending at Region 5 of the NLRB.²²

Maximus frontline workers who are women and people of color report additional challenges they face. In November 2022, nearly 500 Maximus workers at its CMS call centers went on strike to protest Maximus’ failure to adequately protect workers from abusive callers, including callers who have made racist and sexist comments, among other issues. Several workers reported being subject to racial epithets from hostile callers.²³ One worker explained that when she reported receiving sexually explicit calls from the same caller two days in a row, her supervisor told her nothing could be done and was made to feel that she “just should’ve never said anything.”²⁴

Maximus workers have also reported that the company has required employees to listen to anti-union speech during work time, where management has discouraged workers from joining together to improve their working conditions.

Diversity Bonuses for Maximus Executives

The evidence outlined in this report raises serious concerns about racial and gender equity at Maximus. But these problems have not stopped the company’s board of directors from awarding massive bonuses to its executives, purportedly in connection with the company’s efforts to improve diversity, equity, and inclusion (DEI).²⁵

Between Fiscal Years 2021 and 2022, Maximus’ named executive officers (NEOs) received an estimated total of \$1.49 million in cash bonuses tied to “diversity and employee engagement” targets. (See table on next page.) This total does not account for the approximately 25 non-NEO key executives who were also eligible for these bonuses.²⁶ CEO Bruce Caswell alone has received an estimated \$690,750 in cash bonuses tied to diversity and engagement in the past two years. Caswell’s estimated FY2022 Diversity Target bonus alone was equal to almost seven years of pay for a worker earning \$15 an hour.²⁷

Maximus Executives' Estimated Bonuses Tied to Diversity and Engagement Metrics, Fiscal Years 2021 and 2022²⁸

Named Executive Officer	Title	Estimated Diversity Bonus ²⁹	Estimated Engagement Bonus ³⁰	Total
Bruce Caswell	CEO & President	\$294,750	\$396,000	\$690,750
David Mutryn*	CFO	\$50,944	\$50,944	\$101,888
Teresa Weipert*	GM US Fed Services	\$61,669	\$61,669	\$123,338
Ilene Baylinson	GM US Services	\$80,018	\$107,828	\$187,845
David Francis	General Counsel	\$72,860	\$95,943	\$168,803
Richard J. Nadeau**	CFO	\$29,531	\$64,969	\$94,500
Thomas Romeo**	GM US Fed Services	\$20,925	\$46,035	\$66,960
Michelle Link**	Chief HR Officer	\$17,325	\$38,115	\$55,440
TOTAL		\$628,022	\$861,501	\$1,489,523

* Bonus data only available for FY22.

** Bonus data only available for FY21.

The Compensation Committee of Maximus' board of directors introduced these bonuses associated with diversity and employee engagement targets in FY2021.³¹ The diversity and employee engagement targets are separate bonus incentives, but the Engagement Target appears to be tied to the company's DEI activities, including diversity-related activities specifically.³²

Despite the large sums being awarded to executives based on diversity and engagement efforts, the company has not provided clearly-defined metrics for what its respective diversity and engagement targets are, nor the metrics used for determining whether those targets have been achieved.³³ This lack of transparency is troubling given the severity of the racial equity problem at the company, in addition to the fact that executives are receiving large windfalls in bonuses for activities and achievements that remain murky at best to shareholders, the public, and the company's workforce.

There is good reason to be skeptical about the level of improvement at Maximus in terms of both diversity and engagement. The newly-released EEO-1 report showing vast disparities in the demographics of its workforce was from FY2021, which was the first year Maximus executives could receive bonuses tied to diversity targets. Yet Maximus executives were

credited for achieving 100% of the non-disclosed Diversity Target for FY2021 and received the requisite bonus.³⁴ The following year, executives were credited with outperforming the FY2022 Diversity Target. But a review of Maximus' public announcements of executive-level hires since March 2022 appears to show that 87 percent were white, and 67 percent were male.³⁵ Not one of the new executive hires in this one-year period appears to be a woman of color. The demographics of these new executive hires would actually reflect lower proportions of people of color and women in executive roles than those reported in its 2021 EEO-1 report, casting doubt on whether Maximus has improved diversity in its leadership ranks.

In FY2022, executives were credited for achieving a 280% increase in employee engagement,³⁶ despite evidence of profound and ongoing employee dissatisfaction at the company, as demonstrated by the fact workers at Maximus' CMS call centers went on strike four times in 2022 to protest poor working conditions,³⁷ including the company's failure to provide adequate protection from racially abusive callers.

Conclusion and Recommendations

Maximus, a massive contractor with billions of dollars in annual revenue from federal agencies, has a racial equity problem. The findings of this report make it clear - frontline workers report dead-end jobs, middle managers are largely hired externally rather than developed from within, and top executives receive cash bonuses for diversity but do not reflect the diversity of the frontline workforce. As a federal contractor, Maximus has a legal responsibility to proactively identify problem areas where impediments to equal employment opportunity may exist and "develop and execute action-oriented programs designed to correct any problem areas." Importantly, such programs must "consist of more than following the same procedures which have previously produced inadequate results."³⁸ The Biden administration has repeatedly committed to center racial equity in the operations of the federal government, and this case is an opportunity for the administration to follow through on its commitments. The administration, through the Office of Federal Contract Compliance Programs (OFCCP), should conduct a corporate management compliance evaluation into Maximus' selection, development, and retention practices that affect advancement into middle and senior-level corporate management. Such an investigation is imperative to identify and fully remedy any impediments to equal employment opportunities at Maximus and to ensure that all workers at the company, no matter their background, have real opportunities to advance their careers and be rewarded for their excellence.

Endnotes

1. U.S. SEC, *Form 10-K: MAXIMUS, Inc.* (Nov. 22, 2022) at 11 and 28. This workforce consisted of 39,500 employees and 12,550 contingent, or seasonal, workers.
2. *Ibid.*, at 54.
3. These call centers are located in: Phoenix, AZ; Lynn Haven and Riverview, FL; Lawrence, KS; London and Winchester, KY; Bogalusa, LA; Hattiesburg, MS; Brownsville, TX; and Chester, VA. The staffing fluctuates over the course of each year, and peaks at over 12,000 workers during the Medicare and ACA open enrollment periods. Subcontractors to Maximus employ some of this workforce.
4. U.S. Department of Labor, evaluation performed by the Office of Federal Contract Compliance Programs in FY2022.
5. Maximus, Inc., “Maximus Welcomes Dr. Arvenita Washington Cherry as Senior Director of Diversity, Equity, and Inclusion,” (Dec. 21, 2020).
<https://investor.maximus.com/news-events/press-releases/detail/23/maximus-welcomes-dr-arvenita-washington-cherry-as-senior>
6. Maximus, Inc., “Maximus CEO Furthers Company’s Commitment to Diversity, Equity, and Inclusion,” (May 11, 2021). <https://maximus.com/news/maximus-ceo-furthers-companys-commitment-diversity-equity-and-inclusion>
7. *Ibid.*
8. U.S. SEC, *Form 8-K*, (March 18, 2022).
9. Because Maximus is a federal contractor, these EEO-1 reports are also shared with the U.S. Department of Labor’s Office of Federal Contract Compliance Programs (OFCCP).
10. EEO-1 Report available at <https://maximus.com/DEI>.
11. People of color include: Hispanic or Latino, Black or African American, Native Hawaiian or Pacific Islander, Asian, American Indian or Alaskan Native, and individuals of two or more races.
12. Racial demographic data for IRS and SSA as of December 2021 were accessed in the Office of Personnel Management’s FedScope Employment Cube. Gender demographic data for these workforces were accessed in OPM’s Diversity Cube. Available at <https://www.fedscope.opm.gov/>
13. The Office of Personnel Management classifies federal employees into three levels in the Supervisory Status field on its FedScope databases: non-supervisor, supervisor, and leader.
14. Data available via OPM’s FeScope databases do not allow for simultaneous analysis of racial and gender workforce data. For example, data on the employment of Black women at an agency is not available. This is because the data on racial and gender demographics are only available in separate databases—gender demographic data in the Employment Cube and racial demographic data in the Diversity Cube.
15. CCWU-CWA Survey, January 2023.
16. Based on an analysis of publicly accessible data from LinkedIn profiles belonging to individuals whose current workplace as of February 2023 was stated as Maximus and who held either a “Manager” or “Director” job title, except “Case Managers,” “Project Managers,” “General Managers,” and “Office Managers,” who were presumed not to be mid-level managers. Individuals who were identified as having direct customer service experience include those with job titles such as “Customer Service Representative,” “CSR,” “Agent,” or “Call Center Representative.” To ensure the accuracy and quality of this analysis, any individuals who listed more than one current job on their profiles or did not include dates of employment at Maximus were excluded. Profiles from individuals who work outside the U.S. were also excluded.
17. *Richardson v. Maximus*, 1:22-cv-00746-RDA-JFA (E.D.Va, 2022), Complaint.
18. U.S. Department of Labor, evaluation performed by the Office of Federal Contract Compliance Programs.
19. Stephon Johnson, “NLRB Quashes Union-Busting Case with Federal Contractor,” *New York Amsterdam News* (Aug. 19, 2021).
<https://amsterdamnews.com/news/2021/08/19/nlr-quashes-union-busting-case-federal-contractor/>
20. NLRB, Case #15-CA-240635. <https://www.nlr.gov/case/15-CA-240635>
21. U.S. Department of Labor, evaluation performed by the Office of Federal Contract Compliance Programs in FY2022.
22. NLRB, Case #05-CA-301812. <https://www.nlr.gov/case/05-CA-301812>
23. Mary Yang, “Call center workers strike over pay and working conditions,” National Public Radio (Nov. 1, 2022).
<https://www.npr.org/2022/11/01/1132931674/medicaid-and-medicare-hotline-workers-strike-over-pay-and-working-conditions>
24. Call Center Workers United Town Hall (Nov. 1, 2022).
<https://www.facebook.com/CallCenterWorkersUnited/videos/1106042136771888>
25. According to Maximus’ 2022 Proxy statement: “The Compensation Committee acknowledges that improving both diversity and engagement are essential goals for the organization,” (Jan. 26, 2022) at 56.

26. 2022 Proxy Statement, at 56.
27. Caswell received an estimated \$210,375 for his Diversity Target bonus in FY2022.
28. Estimates calculated using the information provided in Maximus' respective 2022 and 2023 Proxy Statements.
29. Based on NEOs receiving 7.5% and 16.5% payouts on their Target Annual Cash Incentive Opportunity tied to the Diversity Target for FY21 and FY22, respectively. No adjustments were made based on individual performance.
30. Based on NEOs receiving 16.5% payouts on their Target Annual Cash Incentive Opportunity tied to the Engagement Target for both FY21 and FY22. No adjustments were made based on individual performance.
31. 2022 Proxy Statement, at 5.
32. For example, the company states that its annual employee engagement survey "includes specific questions on DEI that aims to assess the Company's performance in nurturing an inclusive culture." See 2022 Proxy Statement, at 78.
33. The most detailed explanation of the diversity target comes from Maximus' 2023 Proxy Statement, which states: "The Diversity target is set using external census data to align with the external demographics to better represent the communities in which we operate," at 45. The 2023 Proxy Statement also says that "our diversity target was tied to specific improvements highlighted by our US DEI strategy." The company's DEI strategy is outlined in its DEI 2022 Report but does not provide specific quantified metrics for increasing diversity. See "Diversity Equity & Inclusion: 2022 Report," slides 9-15.
https://maximus.com/sites/default/files/documents/2022_maximus_dei_report.pdf
34. Maximus 2022 Proxy Statement, at 56.
35. Based on a review of Maximus press releases about new executive level hires between March 2022 and February 2023. <https://maximus.com/insights/news>
36. Maximus 2023 Proxy Statement, at 45-46.
37. One of these four strikes occurred in November 2022, after the end of FY2022.
38. 41 CFR 60-2.17



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