

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 March 31, 2000

or

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

For the transition period from _____ to _____

Commission file number 0-14948

FISERV, INC.

(Exact name of Registrant as specified in its charter)

WISCONSIN

39-1506125

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

255 FISERV DRIVE, BROOKFIELD, WI

53045

(Address of principal executive offices)

(Zip Code)

(262) 879 5000

(Registrant's telephone number, including area code)

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 ()

As of April 14, 2000, there were 122,830,000 shares of common stock, \$.01 par value, of the Registrant outstanding.

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PART I. FINANCIAL INFORMATION
ITEM I. FINANCIAL STATEMENTS

FISERV, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

<TABLE>
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	Three Months Ended March 31,	
	2000	1999
<S>	<C>	<C>
Revenues	\$396,402	\$337,129
Cost of revenues:		
Salaries, commissions and payroll related costs	189,572	159,546
Data processing expenses, rentals and telecommunication costs	28,112	30,620
Other operating expenses	75,227	63,973
Depreciation and amortization of property and equipment	16,749	14,768
Amortization of intangible assets	7,176	4,548
Amortization of internally generated computer software-net	612	3,051
Total cost of revenues	317,448	276,506
Operating income	78,954	60,623
Interest expense - net	5,806	3,985
Income before income taxes	73,148	56,638
Income tax provision	29,991	23,222
Net income	\$ 43,157	\$ 33,416

Net income per share:		
Basic	\$ 0.35	\$ 0.27
Diluted	\$ 0.34	\$ 0.26
Shares used in computing net income per share:		
Basic	122,622	123,230
Diluted	125,543	127,880

</TABLE>

See notes to consolidated financial statements.

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FISERV, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

<TABLE>
<CAPTION>

	March 31, 2000	December 31, 1999
	(Unaudited)	
<S>	<C>	<C>
ASSETS		
Cash and cash equivalents	\$ 74,655	\$ 80,554
Accounts receivable - net	244,991	235,350
Securities processing receivables	3,131,694	2,196,068
Prepaid expenses and other assets	94,136	89,378
Trust account investments	1,286,458	1,298,120
Other investments	349,577	335,573
Property and equipment-net	203,863	195,333
Internally generated computer software-net	74,651	75,263
Intangible assets-net	798,900	802,071
Total	\$6,258,925	\$5,307,710
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	\$ 68,680	\$ 66,400
Securities processing payables	2,476,735	1,764,382
Short-term borrowings	449,025	234,350
Accrued expenses	151,917	176,443
Accrued income taxes	17,036	12,736
Deferred revenues	139,912	131,476
Trust account deposits	1,285,232	1,298,120
Deferred income taxes	85,006	59,963
Long-term debt	434,376	472,824
Total liabilities	5,107,919	4,216,694
Shareholders' equity:		
Common stock issued, 125,387,700 and 125,387,700 shares, respectively	1,254	1,254
Additional paid-in capital	459,306	458,550
Accumulated other comprehensive income	135,474	125,026
Accumulated earnings	619,667	576,510
Treasury stock, at cost, 2,594,300 and 2,804,400 shares, respectively	(64,695)	(70,324)
Total shareholders' equity	1,151,006	1,091,016
Total	\$6,258,925	\$5,307,710

</TABLE>

See notes to consolidated financial statements.

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FISERV, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)
(Unaudited)

<TABLE>
<CAPTION>

Three Months Ended
March 31,
2000 1999

	<C>	<C>

<S>		
Cash flows from operating activities:		
Net income	\$ 43,157	\$
33,416		
Adjustments to reconcile net income to net cash provided by operating activities:		
Deferred income taxes	17,605	
7,138		
Depreciation and amortization of property and equipment	16,749	
14,768		
Amortization of intangible assets	7,176	
4,548		
Amortization of internally generated computer software	10,253	
10,936		

	94,940	
70,806		
Changes in assets and liabilities, net of effects from acquisitions of businesses:		
Accounts receivable	(8,802)	
(1,964)		
Prepaid expenses and other assets	(4,292)	
(200)		
Accounts payable and accrued expenses	(23,151)	
2,521		
Deferred revenues	8,118	
11,736		
Accrued income taxes	7,300	
4,974		
Securities processing receivables and payables - net	(223,273)	
(43,097)		

Net cash (used in) provided by operating activities	(149,160)	
44,776		

Cash flows from investing activities:		
Capital expenditures	(22,094)	
(19,736)		
Capitalization of internally generated computer software	(9,641)	
(7,885)		
Payment for acquisitions of businesses, net of cash acquired	(6,515)	
(19,888)		
Investments	15,808	
(142,813)		

Net cash used in investing activities	(22,442)	
(190,322)		

Cash flows from financing activities:		
Proceeds from short-term obligations - net	214,671	
100,450		
Repayments of long-term obligations - net	(39,463)	
(33,990)		
Issuance of common stock	13,269	
3,254		
Purchases of treasury stock	(9,884)	
-		
Trust account deposits	(12,890)	
85,750		

Net cash provided by financing activities	165,703	
155,464		

Change in cash and cash equivalents	(5,899)	
9,918		
Beginning balance	80,554	
71,558		

Ending balance	\$ 74,655	\$
81,476		

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</TABLE>

FISERV, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Principles of Consolidation

The consolidated financial statements for the three month periods ended March 31, 2000 and 1999 are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of such financial statements have been included. Such adjustments consisted only of normal recurring items. Interim results are not necessarily indicative of results for a full year. The financial statements and notes are presented as permitted by Form 10-Q, and do not contain certain information included in the annual financial statements and notes of Fiserv, Inc. and subsidiaries (the Company).

2. Shares Used in Computing Net Income per Share

	Three Months Ended March 31,	
	2000	1999

	(In thousands)	
<S>	<C>	<C>
Weighted average number of common shares outstanding - basic 123,230	122,622	
Assumed conversion of common shares issuable under stock option plan 4,650	2,921	

Weighted average number of common and common equivalent shares outstanding - diluted 127,880	125,543	

</TABLE>

Basic net income per share is computed using the weighted average number of common shares outstanding during the periods. Diluted net income per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the periods. Common equivalent shares consist of stock options and are computed using the treasury stock method.

3. Accounting for Income Taxes

Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, and (b) operating and tax credit carryforwards. Significant components of the Company's net deferred tax liability consisted of the following:

<TABLE>
<CAPTION>

	March 31, 2000	December 31, 1999

	(In thousands)	
<S>	<C>	<C>
Unrealized gains on investments	\$ 94,601	\$ 87,162
Internally generated capitalized software	31,342	30,858
Excess of tax over book depreciation and amortization	21,072	19,438
Other	23,854	9,268
Purchased incomplete software technology	(46,510)	(47,663)
Accrued expenses not currently deductible	(25,046)	(25,407)
Deferred revenues	(14,307)	(13,693)

Total	\$ 85,006	\$ 59,963
=====		

</TABLE>

4. Supplemental Cash Flow Information

Three Months Ended March 31,	
2000	1999

(In thousands)	

Interest paid	\$5,663	\$ 3,968
Income taxes paid	5,959	12,344
Liabilities assumed in acquisitions of businesses	1,549	1,455

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

Results of Operations

The following table sets forth, for the periods indicated, the relative percentage which certain items in the Company's consolidated statements of income bear to revenues and the percentage change in these items.

Percentage Increase (Decrease)	Three Months Ended		<C>
	March 31,		
	2000	1999	

<S>	<C>	<C>	<C>
	(Percent of Revenues)		
Revenues 17.6	100.0	100.0	

Salaries and related costs 18.8	47.8	47.3	
Data processing costs -8.2	7.1	9.1	
Other operating expenses 17.6	19.0	19.0	
Depreciation and amortization 13.4	4.2	4.4	
Amortization of intangible assets N/A	1.8	1.3	
Amortization of software-net N/A	0.2	0.9	

Total cost of revenues 14.8	80.1	82.0	

Operating income 30.2	19.9	18.0	
	=====		

Revenues
Revenues increased 17.6% from \$337.1 million in the first quarter of 1999 to \$396.4 million in the current first quarter. Revenue growth was derived from sales to new clients, cross-sales to existing clients, growth in transaction volume experienced by existing clients, price increases and revenues from acquired businesses. Revenues from acquired businesses approximated 45% of total revenue growth in the first quarter of 2000.

Cost of Revenues
Cost of revenues increased 14.8% from \$276.5 million in the first quarter of 1999 to \$317.4 million in the current first quarter. The make up of cost of revenues has been affected by business acquisitions and changes in the mix of the Company's business.

Operating Income
Operating income increased 30.2% from \$60.6 million in the first quarter of 1999 to \$79.0 million in the current first quarter. The Company's operating margin increased from 18.0% in the first quarter of 1999 to 19.9% in the first quarter of 2000. The increase in operating margin was driven primarily by strong operating results in the Company's securities processing and trust services business segment.

Income Tax Provision
The effective income tax rate was 41% in both years and the effective income tax rate is expected to remain at 41% for the remainder of the current year.

Net Income
Net income for the first quarter increased 29.2% from \$33.4 million in 1999 to \$43.2 million in 2000. Net income per share-diluted increased \$0.08 from \$0.26 in the first quarter of 1999 to \$0.34 in the first quarter of 2000.

Business Segment Information

The Company is a leading independent provider of data processing systems and related information management services and products to financial institutions and other financial intermediaries. The Company's operations have been classified into three business segments: Financial institution outsourcing, systems and services; Securities processing and trust services; and "All other and corporate." Summarized financial information by business segment is as follows:

<TABLE>
<CAPTION>

	Three Months Ended March 31,	
	2000	1999

	(In thousands)	
<S>	<C>	<C>
Revenues:		
Financial institution outsourcing, systems and services	\$293,088	\$260,386
Securities processing and trust services	86,447	61,262
All other and corporate	16,867	15,481
	-----	-----
Total	\$396,402	\$337,129
	-----	-----
Operating income:		
Financial institution outsourcing, systems and services	\$ 49,336	\$44,271
Securities processing and trust services	29,947	17,376
All other and corporate	(329)	(1,024)
	-----	-----
Total	\$ 78,954	\$ 60,623
	-----	-----

</TABLE>

Revenues in the financial institution outsourcing, systems and services business segment increased from \$260.4 million in the first quarter of 1999 to \$293.1 million in the current first quarter. Operating income in the financial institution outsourcing, systems and services business segment increased from \$44.3 million in the first quarter of 1999 to \$49.3 million in the current first quarter, while operating margins were consistent in the first quarter of 1999 and 2000.

Revenues in the securities processing and trust services business segment increased from \$61.3 million in the first quarter of 1999 to \$86.4 million in the current first quarter. Revenue growth was primarily derived from increased transaction volumes from existing clients and from JW Genesis Clearing Corporation, which was acquired in June of 1999. Overall growth in transaction volumes in the securities processing and trust services business segment during the first quarter of 2000 reflected the high level of trading volumes in the United States financial markets. Operating income in this business segment increased from \$17.4 million in the first quarter of 1999 to \$29.9 million in the current first quarter. The increases in operating income and margin were the result of strong transaction-based revenues and the associated economies of scale.

Liquidity and Capital Resources

The following table summarizes the Company's primary sources (uses) of funds for the three months ended March 31:

<TABLE>
<CAPTION>

	2000	1999

	(In thousands)	
<S>	<C>	<C>
Cash provided by operating activities before changes in securities processing receivables and payables - net	\$ 74,113	\$ 87,873
Securities processing receivables and payables - net	(223,273)	(43,097)
	-----	-----
Cash (used in) provided by operating activities	(149,160)	44,776
Increase in short-term borrowings	214,671	100,450
Repayments of long-term borrowings	(39,463)	(33,990)
Decrease (increase) in investments	2,918	(57,063)
	-----	-----
TOTAL	\$ 28,966	\$ 54,173
	=====	=====

</TABLE>

The increase in securities processing receivables and payables-net of \$223.3

million in the first quarter of 2000 was funded primarily by the increase in short-term borrowings of \$214.7 million. Long-term obligations amounted to \$434.4 million at March 31, 2000 and included \$290.6 million advanced under an aggregate of \$500.0 million in revolving credit facilities.

The Company has used a significant portion of its cash flow from operations for acquisitions and capital expenditures with any remainder used to reduce long-term debt. The Company believes that its cash flow from operations together with other available sources of funds will be adequate to meet its funding requirements. In the event that the Company makes significant future acquisitions, however, it may raise funds through additional borrowings or issuances of securities.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995 Except for the historical information contained herein, the matters discussed in this Form 10-Q are forward-looking statements that involve risks and uncertainties, including but not limited to economic, competitive, governmental and technological factors affecting the Company's operations, markets, services and related products, prices and other factors discussed in the Company's prior filings with the Securities and Exchange Commission. Although the Company believes that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate. Therefore, there can be no assurance that the forward-looking statements included in this Form 10-Q will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved.

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PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders.

At the Company's Annual Meeting of Shareholders held on March 30, 2000, the Company's Shareholders approved the following matters:

	For -----	Withheld -----
1. ELECTION OF THREE DIRECTORS TO SERVE FOR A THREE-YEAR TERM EXPIRING IN 2003:		
George D. Dalton	109,843,403	903,255
Daniel P. Kearney	109,781,049	965,609
L. William Seidman	110,088,801	657,857

The other directors of the Company whose terms in office continued after the 2000 Annual Meeting of Shareholders are as follows: terms expiring at the 2001 Annual Meeting - Kenneth R. Jensen and Thekla R. Shackelford; and terms expiring at the 2002 Annual Meeting - Donald F. Dillon, Gerald J. Levy and Leslie M. Muma.

<TABLE>
<CAPTION>

Non-Vote	For -----	Against -----	Abstain -----
<S>	<C>	<C>	<C>
<C>			
2. APPROVAL OF AN AMENDMENT TO THE FISERV, INC. STOCK OPTION PLAN 16,772,474	73,859,625	19,660,822	453,737
3. APPROVAL OF THE FISERV, INC. EMPLOYEE STOCK PURCHASE PLAN 16,772,474	91,617,007	1,967,182	389,995
4. REAPPOINTMENT OF DELOITTE & TOUCHE LLP AS INDEPENDENT AUDITORS FOR 2000 0	110,476,815	132,488	137,355

</TABLE>

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

(a) Exhibits

The exhibits listed in the accompanying exhibit index are filed as part of this Quarterly Report on Form 10-Q.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended March 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.

Fiserv, Inc.

(Registrant)

Date April 24, 2000

by /s/ Kenneth R. Jensen

KENNETH R. JENSEN
Senior Executive Vice President, Chief
Financial Officer, Treasurer and
Assistant Secretary

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FISERV, INC.

EXHIBIT INDEX TO QUARTERLY REPORT ON FORM 10-Q
For the Quarterly Period ended March 31, 2000

- (4) First Amendment to the Rights Agreement, dated December 1, 1999, appointing EquiServe as successor Rights Agent [Incorporated by reference to Exhibit 4.3 to the Company's Form S-8 Registration Statement (Registration No. 333-34310)]
- (10) Fiserv, Inc. Stock Option Plan, as amended [Incorporated by reference to Exhibit 4.1 to the Company's Form S-8 Registration Statement (Registration No. 333-34310)]
- (11) Statement regarding computation of per share earnings (included in Part 1, page 5).
- (27) Financial data schedule.

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