SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED FEBRUARY 28, 2001

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 333-45000

RESOURCES CONNECTION, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	33-0832424
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

695 TOWN CENTER DRIVE, SUITE 600

COSTA MESA, CALIFORNIA	92626
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: (714) 430-6400

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) had been subject to such filing requirements for the past 90 days. Yes X No ____

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of April 6, 2001: 20,586,000 shares of Common Stock, $.01 par value per share

RESOURCES CONNECTION, INC.
INDEX

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

RESOURCES CONNECTION, INC.

CONSOLIDATED BALANCE SHEETS

	February 28, 2001 (unaudited)	May 31, 2000
ASSETS		
Current assets:		
Cash and cash equivalents	$26,340,000	$ 4,490,000
Trade accounts receivable, net of allowance for doubtful accounts of $2,302,000 and $1,586,000 as of February 28, 2001 and May 31, 2000, respectively	25,236,000	18,166,000
Deferred income taxes	1,325,000	1,300,000
Prepaid expenses and other current assets	828,000	746,000
Total current assets	53,729,000	24,702,000
Intangible assets, net	39,010,000	41,583,000
Property and equipment, net	3,880,000	3,196,000
Other assets	580,000	625,000
Total assets	$97,199,000	$70,106,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 2,321,000	$ 2,519,000
Accrued salaries and related obligations	12,677,000	7,450,000
Other liabilities	1,368,000	801,000
Current portion of term loan		6,268,000
Total current liabilities	16,366,000	17,038,000
Deferred income taxes	522,000	380,000
Term loan		10,232,000
Subordinated notes payable		25,271,000
Total liabilities	16,888,000	52,921,000
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, 5,000,000 shares authorized; zero shares issued and outstanding		
Common stock, $0.01 par value, 35,000,000 shares authorized; 20,634,000 and 15,630,000 shares issued and outstanding as of February 28, 2001 and May 31, 2000, respectively	206,000	156,000
Additional paid-in capital	66,000,000	10,222,000
Deferred stock compensation	(1,616,000)	(499,000)
Accumulated other comprehensive loss	(33,000)	(32,000)
Notes receivable from stockholders	(164,000)	
Retained earnings	15,919,000	7,338,000
Treasury stock at cost, 48,000 shares at February 28, 2001 and zero shares at May 31, 2000	(1,000)	
Total stockholders' equity	80,311,000	17,185,000
Total liabilities and stockholders' equity	$97,199,000	$70,106,000

The accompanying notes are an integral part of these financial statements.

RESOURCES CONNECTION, INC.

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended February 28, 2001	Three Months Ended February 29, 2000	Nine Months Ended February 28, 2001	Nine Months Ended February 29, 2000
	(unaudited)		(unaudited)	
Revenue	$49,830,000	$33,384,000	$134,031,000	$87,498,000
Direct cost of services, primarily payroll and related taxes for professional services employees	29,457,000	19,765,000	78,193,000	50,882,000
Gross profit	20,373,000	13,619,000	55,838,000	36,616,000
Selling, general and administrative expenses	12,680,000	9,365,000	35,893,000	24,228,000
Amortization of intangible assets	565,000	572,000	1,708,000	1,660,000
Depreciation expense	227,000	31,000	635,000	131,000
Income from operations	6,901,000	3,651,000	17,602,000	10,597,000
Interest expense	248,000	1,199,000	2,660,000	3,539,000
Interest income	(251,000)		(314,000)	
Income before provision for income taxes and extraordinary charge	6,904,000	2,452,000	15,256,000	7,058,000
Provision for income taxes	2,762,000	981,000	6,103,000	2,822,000
Income before extraordinary charge	4,142,000	1,471,000	9,153,000	4,236,000
Extraordinary charge, net of tax effect of $381,000	572,000		572,000	
Net income	$ 3,570,000	$ 1,471,000	$ 8,581,000	$ 4,236,000
Basic earnings per share:				
Income before extraordinary charge	$ 0.21	$ 0.09	$ 0.54	$ 0.27
Extraordinary charge	(0.03)		(0.03)	
Net income	$ 0.18	$ 0.09	$ 0.51	$ 0.27
Diluted earnings per share:				
Income before extraordinary charge	$ 0.19	$ 0.09	$ 0.50	$ 0.27
Extraordinary charge	(0.02)		(0.03)	
Net income	$ 0.17	$ 0.09	$ 0.47	$ 0.27
Weighted average common shares outstanding:				
Basic	19,590,000	15,630,000	16,933,000	15,630,000
Diluted	21,306,000	15,713,000	18,350,000	15,658,000

The accompanying notes are an integral part of these financial statements.

RESOURCES CONNECTION, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Nine Months Ended	
	February 28, 2001	February 29, 2000
	(unaudited)	(unaudited)
COMMON STOCK--SHARES:		
Balance at beginning of period	15,630,000	15,630,000
Initial public offering of common stock	5,000,000	
Exercise of stock options	4,000	
Balance at end of period	20,634,000	15,630,000
COMMON STOCK-PAR VALUE:		
Balance at beginning of period	$ 156,000	$ 156,000
Initial public offering of common stock	50,000	
Balance at end of period	$ 206,000	$ 156,000
ADDITIONAL PAID-IN CAPITAL:		
Balance at beginning of period	$10,222,000	$ 9,699,000
Initial public offering of common stock	55,750,000	
Cost of stock offering	(1,589,000)	
Exercise of stock options	11,000	
Deferred stock compensation	1,388,000	374,000
Reissuance of treasury shares	218,000	
Balance at end of period	$66,000,000	$10,073,000
DEFERRED STOCK COMPENSATION:		
Balance at beginning of period	$ (499,000)	$ (37,000)
Issuance of restricted stock and grant of stock options	(1,388,000)	(374,000)
Amortization of deferred stock compensation	271,000	37,000
Balance at end of period	$(1,616,000)	$ (374,000)
ACCUMULATED OTHER COMPREHENSIVE LOSS:		
Balance at beginning of period	$ (32,000)	$ -
Translation adjustments	(1,000)	
Balance at end of period	$ (33,000)	$ -
NOTES RECEIVABLE FROM STOCKHOLDERS:		
Balance at beginning of period	$ -	$ -
Reissuance of treasury shares for notes	(164,000)	
Balance at end of period	$ (164,000)	$ -
RETAINED EARNINGS:		
Balance at beginning of period	$ 7,338,000	$ 792,000
Net income	8,581,000	4,236,000
Balance at end of period	$15,919,000	$ 5,028,000
TREASURY STOCK--SHARES:		
Balance at beginning of period	-	-
Repurchase of shares	(102,000)	
Sale of shares	54,000	
Balance at end of period	(48,000)	-
TREASURY STOCK--COST:		
Balance at beginning of period	$ -	$ -
Repurchase of shares	(45,000)	
Sale of shares	44,000	
Balance at end of period	$ (1,000)	$ -
COMPREHENSIVE INCOME:		
Net income	$ 8,581,000	$ 4,236,000
Translation adjustments	(1,000)	

Total comprehensive income	$ 8,580,000	$ 4,236,000

The accompanying notes are an integral part of these financial statements.

RESOURCES CONNECTION, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended February 28, 2001	Nine Months Ended February 29, 2000
	(unaudited)	
Cash flows from operating activities		
Net income	$ 8,581,000	$ 4,236,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,343,000	1,791,000
Amortization of debt issuance costs	130,000	223,000
Amortization of deferred stock compensation	271,000	37,000
Bad debt expense	1,612,000	662,000
Extraordinary charge	953,000	
Changes in operating assets and liabilities:		
Trade accounts receivable	(8,682,000)	(5,963,000)
Prepaid expenses and other current assets	(82,000)	539,000
Other assets	44,000	(172,000)
Accounts payable and accrued expenses	(416,000)	(45,000)
Accrued salaries and related obligations	5,227,000	4,234,000
Other liabilities	684,000	(48,000)
Accrued interest payable portion of notes payable	1,680,000	2,105,000
Net cash provided by operating Activities	12,345,000	7,599,000
Cash flows from investing activities		
Additions to intangible assets, resulting from the purchase of Resources Connection LLC		(27,000)
Purchases of property and equipment	(1,319,000)	(2,031,000)
Net cash used in investing activities	(1,319,000)	(2,058,000)
Cash flows from financing activities		
Proceeds from issuance of common stock	55,800,000	
Other stock offering costs	(1,589,000)	
Proceeds from exercise of stock options	11,000	
Proceeds from reissuance of treasury stock	98,000	
Purchases of treasury stock	(45,000)	
Payments on term loan	(16,500,000)	(1,125,000)
Payments on revolving loan		(2,100,000)
Payments on subordinated notes	(26,951,000)	
Net cash provided by (used in) financing Activities	10,824,000	(3,225,000)
Net increase in cash	21,850,000	2,316,000
Cash and cash equivalents at beginning of period	4,490,000	876,000
Cash and cash equivalents at end of period	$ 26,340,000	$ 3,192,000

The accompanying notes are an integral part of these financial statements.

RESOURCES CONNECTION, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
Nine months ended February 28, 2001 and February 29, 2000

1. Description of the Company and its Business

Resources Connection, Inc., formerly RC Transaction Corp.,was incorporated on November 16, 1998. The Company provides professional services to a variety of industries and enterprises through its subsidiary, Resources Connection LLC ("LLC"), and foreign subsidiaries (collectively the "Company"). Prior to its acquisition of LLC on April 1, 1999, Resources Connection, Inc. had no substantial operations. LLC, which commenced operations in June 1996, provides clients with experienced professionals who specialize in accounting, finance, tax, information technology and human resources on a project-by-project basis. The Company operates in the United States, Canada, Hong Kong and Taiwan. The Company is a Delaware corporation. LLC is a Delaware limited liability company.

The Company's fiscal year consists of 52 or 53 weeks, ending on the Saturday nearest the last day of May in each year. For convenience, all references herein to years or periods are to years or periods ended May 31 or February 28, respectively. The nine month periods ended February 28, 2001 and February 29, 2000 each consist of 39 weeks, respectively.

On December 14, 2000, the SEC declared the Company's registration statement effective. On December 20, 2000, the Company received the proceeds from its initial public offering of 5,000,000 shares of the Company's common stock at $12 per share. The net proceeds of the offering (after underwriting discounts, commissions and other transaction related expenses) were $54.2 million. Net proceeds of approximately $38.8 million were used to retire the Company's term loan and subordinated debt balances and accrued interest. Selling shareholders sold 2,475,000 shares of the Company's common stock (including the exercise of the underwriters' overallotment of 975,000 shares) in the offering, but the Company did not receive any of the proceeds from the sale of those shares. After completion of the offering and excluding shares held in treasury, the Company has 20,586,000 shares of common stock outstanding.

2. Summary of Significant Accounting Policies

Interim Financial Information

The financial information for the three and nine month periods ended February 28, 2001 and February 29, 2000 is unaudited but includes all adjustments (consisting only of normal recurring adjustments) which the Company considers necessary for a fair presentation of the financial position at such date and the operating results and cash flows for those periods. Certain information and note disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to Securities and Exchange Commission, or "SEC", rules or regulations; however, the Company believes the disclosures made are adequate to make the information presented not misleading.

The results of operations for the interim periods presented are not necessarily indicative of the results of operations to be expected for the fiscal year. These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended May 31, 2000, which are included in the Company's Registration Statement on Form S-1 (File No. 333-45000) which was declared effective by the SEC on December 14, 2000.

Treasury Stock Transactions

Between August 26, 2000 and February 28, 2001, pursuant to the terms of the 1998 Employee Stock Purchase Plan, the Company reacquired 102,000 shares of its common stock from former employees. The Company subsequently resold 54,000 shares of Common Stock for an aggregate purchase price of approximately $262,000 to certain employees of the Company, of which $164,000 was financed by the Company in exchange for promissory notes from the employees, bearing interest at 4.0% and due June 30, 2003.

Per Share Information

The Company follows Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share," which establishes standards for the computation, presentation and disclosure requirements for basic and diluted earnings per share for entities with publicly held common shares and potential common shares. Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. In computing diluted earnings per share, the weighted average number of shares outstanding is adjusted to reflect the effect of potentially dilutive securities, consisting solely of stock options. The weighted average effect of the treasury stock transactions decreased common shares outstanding by 4,000 and 16,000 for the three and nine month periods ended February 28, 2001, respectively.

Potential common shares of 136,000, 185,000 and 434,000 were not included in the diluted earnings per share amounts for the nine month period ended February 28, 2001 and for the three and nine month periods ended February 29, 2000, respectively, as their effect would have been anti-dilutive.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although management believes these estimates and assumptions are adequate, actual results could differ from the estimates and assumptions used.

3. Supplemental Disclosure Of Cash Flow Information

For the nine month periods ended February 28, 2001 and February 29, 2000:

	2001	2000
Interest paid	$ 861,000	$1,423,000
Income taxes paid	$5,272,000	$2,749,000
Noncash investing and financing activities:		
Deferred stock compensation	$1,388,000	$ 374,000
Reissuance of treasury shares for notes receivable	$ 164,000	$ -

4. Recent Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board, or FASB, issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," which was later amended by both SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities -- Deferral of the Effective Date of FASB Statement No. 133" and by SFAS No. 138, "Accounting for Derivative Instruments and Hedging Activities - an amendment of SFAS No. 133." SFAS No. 133 establishes standards for the accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts, and hedging activities. The statement generally requires recognition of gains and losses on hedging instruments, based on changes in fair value or the earnings effect of a forecasted transaction. SFAS No. 133, as amended by SFAS No. 137 and SFAS No. 138, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. Management does not believe that SFAS No. 133, SFAS No. 137 or SFAS No. 138 will have a material impact on the Company's consolidated financial statements.

In December 1999, the SEC issued Staff Accounting Bulletin No. 101 (SAB 101) entitled "Revenue Recognition," which outlines the basic criteria that must be met to recognize revenue and provides guidance for the presentation of revenue and for disclosure related to revenue recognition policies in financial statements filed with the SEC. The Company adopted the provisions of SAB 101 in these consolidated financial statements for all periods presented.

In March 2000, the FASB issued Interpretation No. 44, or FIN 44, entitled "Accounting for Certain Transactions Involving Stock Compensation," which is an interpretation of Accounting Principles Board Opinion No. 25, or APB 25. This interpretation clarifies:

- the definition of an employee for purposes of applying APB 25;
- the criteria for determining whether a plan qualifies as a noncompensatory plan;
- the accounting consequences of various modifications to the terms of a previously fixed stock option or award; and
- the accounting for an exchange of stock compensation awards in a business combination.

This interpretation became effective July 1, 2000 and the adoption of FIN 44 did not impact the Company's consolidated financial statements.

5. Extraordinary Charge

The extraordinary charge of $572,000 (net of income tax effect of $381,000) is the result of the write-off of the net remaining balance of unamortized debt issuance costs associated with the Company's term loan and subordinated debt. This debt, approximately $38.8 million, was repaid in full on December 20, 2000 using a portion of the proceeds of the Company's initial public offering of its common stock.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and related notes. This discussion and analysis contains "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements may be identified by words such as "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," or "will" or the negative of these terms or other comparable terminology. These statements, and all phases of our operations are subject to known and unknown risks, uncertainties and other factors, some of which are identified herein and in our Form S-1 (File No. 333-45000), as amended. Readers are cautioned not to place undue relevance on these forward-looking statements. Our actual results, levels of activity, performance or achievements and those of our industry may be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. We undertake no obligation to update the forward-looking statements in this filing. References in this filing to "Resources Connection", the "Company", "we", "us", and "our" refer to Resources Connection, Inc. and its subsidiaries.

Overview

Resources Connection is a professional services firm that provides experienced accounting and finance, human resources management and information technology professionals to clients on a project-by-project basis. We assist our clients with discrete projects requiring specialized professional expertise in accounting and finance, such as mergers and acquisitions due diligence, financial analyses (e.g., product costing and margin analyses) and tax-related projects. In addition, we provide human resources management services, such as compensation program design and implementation, and information technology services, such as transitions of management information systems. We also assist our clients with periodic needs such as budgeting and forecasting, audit preparation and public reporting.

We began operations in June 1996 as a division of Deloitte & Touche LLP, or Deloitte & Touche, and operated as a wholly-owned subsidiary of Deloitte & Touche from January 1997 until April 1999. In November 1998, our management formed RC Transaction Corp., renamed Resources Connection, Inc., to raise capital for an intended management-led buyout. In April 1999, we completed a management-led buyout in partnership with our investor Evercore Partners, Inc., four of its affiliates and six other investors.

Growth in revenue, to date, has generally been the result of establishing offices in major markets throughout the United States. We established nine offices during fiscal 1997, our initial fiscal year, all in the Western United States. In fiscal 1998, we established nine additional offices, which extended our geographic reach to the Midwest and Eastern United States. For the year ended May 31, 1999, we opened ten more offices and established a new service line in information technology in a limited number of offices. In fiscal 2000, we established four more domestic offices, established a new service line in human resources management in a limited number of offices and also began operations in Toronto, Canada; Taipei, Taiwan; and Hong Kong, People's Republic of China. During the first nine months of fiscal 2001, we have established nine additional domestic offices. As a result, as of February 28, 2001, we served our clients through 41 offices in the United States and three international offices.

Three Months Ended February 28, 2001 Compared to Three Months Ended February 29, 2000

Revenue. Revenue increased $16.4 million, or 49.3%, to $49.8 million for the three months ended February 28, 2001 from $33.4 million for the three months ended February 29, 2000. The increase in total revenue was primarily due to the growth in total billable hours resulting from an increase in the number of associates on assignment from 960 at the end of the third quarter of fiscal 2000 to 1,300 at the end of the third quarter of fiscal 2001 and a 12% increase in the average billing rate per hour. Despite the increase in rates, the increase in revenue is primarily attributable to the increase in the number of associates. We operated 44 offices during the third quarter of fiscal 2001 and 35 offices during the third quarter of the previous fiscal year. We opened one new office during the three months ended February 28, 2001 compared to two in the previous fiscal year's third quarter.

Direct Cost of Services. Direct cost of services increased $9.7 million, or 49.0%, to $29.5 million for the three months ended February 28, 2001 from $19.8 million for the three months ended February 29, 2000. This increase was primarily the result of the growth in the number of associates on assignment from 960 at the end of the third quarter of fiscal 2000 to 1,300 at the end of the third quarter of fiscal 2001. The average pay rate per hour was unchanged between the two periods. The direct cost of services decreased slightly as a percentage of revenue from 59.2% for the three months ended February 29, 2000 to 59.1% for the three months ended February 28, 2001. The net decrease reflects the incremental increase in billing rate per hour compared to pay rate per hour, offset by the impact of our enriched benefit programs for associates.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased $3.3 million, or 35.4%, to $12.7 million for the three months ended February 28, 2001 from $9.4 million for the three months ended February 29, 2000. This increase was attributable to the increase in the cost of operating and staffing the new office opened in the third quarter of fiscal 2001 and the growth in operations at offices opened prior to the third quarter of fiscal 2001. Management and administrative headcount increased from 201 at the end of the third quarter of fiscal 2000 to 283 at the end of the third quarter of fiscal 2001. Selling, general and administrative expenses decreased as a percentage of revenue from 28.1% for the three months ended February 29, 2000 to 25.4% for the three months ended February 28, 2001. This percentage decrease resulted primarily from improved operating leverage experienced in offices opened more than one year and reduced spending levels in offices during the current quarter which includes the holiday period.

Amortization and Depreciation Expense. Amortization of intangible assets declined slightly from $572,000 for the three months ended February 29, 2000 to $565,000 for the three months ended February 28, 2001. There were no significant changes in the balance of intangible assets between the two periods.

Depreciation expense increased from $31,000 for the three months ended February 29, 2000 to $227,000 for the three months ended February 28, 2001. This increase reflects the impact of the completed moves out of our former parent's office space into our own space, continuing growth in our number of offices and our investment in information technology.

Interest Expense. The repayment of the term loan and subordinated notes on December 20, 2000, effectively ended the Company's interest expense obligations. After repayment of the debt and other transaction related expenses, the Company had net proceeds of approximately $15.4 million, as well as cash generated from operations, available for investment purposes. The Company has invested available cash in money market and commercial paper investments which have been classified as cash equivalents due to the short maturities of these investments. Consequently, the Company generated net interest income of $3,000 in the quarter ended February 28, 2001 compared to interest expense of $1.2 million in the quarter ended February 29, 2000. The Company's interest income for the quarter was approximately $251,000. While subject to market interest rate fluctuations, the Company currently anticipates earnings of 4.75-5.0% on its money market and commercial paper investments in the near future.

Income Taxes. The provision for income taxes increased from $981,000 for the three months ended February 29, 2000 to $2.8 million for the three months ended February 28, 2001. The effective tax rate was approximately 40.0% for both quarters, which differs from the federal statutory rate primarily due to state taxes, net of federal benefit. No adjustment is anticipated in the rate in the near future.

Extraordinary Charge. The extraordinary charge of $572,000 (net of income tax effect of $381,000) is the result of the write-off of the net remaining balance of unamortized debt issuance costs associated with the Company's term loan and subordinated debt. This debt, approximately $38.8 million, was repaid in full on December 20, 2000 using a portion of the proceeds of the Company's initial public offering of its common stock.

Nine Months Ended February 28, 2001 Compared to Nine Months Ended February 29, 2000

Revenue. Revenue increased $46.5 million, or 53.2%, to $134.0 million for the nine months ended February 28, 2001 from $87.5 million for the nine months ended February 29, 2000. The increase in total revenue was primarily due to the growth in total billable hours resulting from an increase in the number of associates on assignment from 960 at the end of the third quarter of fiscal 2000 to 1,300 at the end of the third quarter of fiscal 2001 and a 12% increase in the average billing rate per hour. The majority of the increase in revenue is attributable to the increase in the number of associates. During the first nine months of fiscal 2001, we opened nine new offices compared to seven new offices in the comparable period of fiscal 2000.

Direct Cost of Services. Direct cost of services increased $27.3 million, or 53.7%, to $78.2 million for the nine months ended February 28, 2001 from

$50.9 million for the nine months ended February 29, 2000. This increase was the result of the growth in the number of associates on assignment from 960 at the end of the third quarter of fiscal 2000 to 1,300 at the end of the third quarter of fiscal 2001 and an increase in the average pay rate per hour of 1.5%. Substantially all of the increase in direct cost of services is attributable to the increase in the number of associates. The direct cost of services increased as a percentage of revenue from 58.2% for the nine months ended February 29, 2000 to 58.3% for the nine months ended February 28, 2001. The net increase reflects the impact of our enriched benefit programs for associates, offset by an incremental increase in the average billing rate per hour compared to the average pay rate per hour.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased $11.7 million, or 48.1%, to $35.9 million for the nine months ended February 28, 2001 from $24.2 million for the nine months ended February 29, 2000. This increase was attributable to the increase in the cost of operating and staffing the new offices opened in the first nine months of fiscal 2001 and the growth at offices opened prior to fiscal 2001. Management and administrative headcount increased from 201 at the end of the third quarter of fiscal 2000 to 283 at the end of the third quarter of fiscal 2001. Selling, general and administrative expenses decreased as a percentage of revenue from 27.7% for the nine months ended February 29, 2000 to 26.8% for the nine months ended February 28, 2001. This percentage decrease resulted primarily from improved operating leverage experienced in offices opened more than one year and the impact of reduced spending levels in offices during the most recent quarter which includes the holiday period.

Amortization and Depreciation Expense. Amortization of intangible assets was relatively unchanged at $1.7 million for both the nine months ended February 29, 2000 and for the nine months ended February 28, 2001, reflecting a consistent aggregate balance and amortization period for the intangible assets.

Depreciation expense increased from $131,000 for the nine months ended February 29, 2000 to $635,000 for the nine months ended February 28, 2001. This increase reflects the impact of the completed moves out of our former parent's office space into our own space, continuing growth in our number of offices and our investment in information technology.

Interest Expense. Net interest expense decreased from $3.5 million for the nine months ended February 29, 2000 to $2.3 million for the nine months ended February 28, 2001. This decrease is the result of the repayment of the Company's term loan and subordinated notes on December 20, 2000 using the proceeds from the Company's initial public offering of its common stock. After the repayment, the Company has no outstanding debt balances. The net proceeds from the offering of approximately $15.4 million, as well as cash generated from operations, have been invested in money market funds and commercial paper and are classified as cash equivalents due to the short maturities of these investments.

Income Taxes. The provision for income taxes increased from $2.8 million for the nine months ended February 29, 2000 to $6.1 million for the nine months ended February 28, 2001. The effective tax rate was approximately 40.0% for both periods, which differs from the federal statutory rate primarily due to state taxes, net of federal benefit.

Comparability of quarterly results. Our quarterly results have fluctuated in the past and we believe they will continue to do so in the future. Factors that could affect our quarterly operating results include:

- our ability to attract new clients and retain current clients;
- the mix of client projects;
- the announcement or introduction of new services by us or any of our competitors;
- the expansion of the professional services offered by us or any of our competitors into new locations both nationally and internationally;
- the entry of new competitors into any of our markets;
- the number of holidays in a quarter, particularly the day of the week on which they occur;
- changes in the pricing of our professional services or those of our competitors;
- the amount and timing of operating costs and capital expenditures relating to management and expansion of our business; and
- the timing of acquisitions and related costs, such as compensation charges which fluctuate based on the market price of our common stock.

Due to these and other factors, we believe that quarter-to-quarter comparisons of our results of operations are not meaningful indicators of future performance.

Liquidity and Capital Resources

Our primary source of liquidity is our existing cash and cash equivalents, cash provided by our operations and, to the extent necessary, available commitments under our revolving line of credit. We have generated positive cash flows from operations since inception, and we continued to do so during the nine month period ended February 28, 2001. During the current quarter, we completed our initial public offering of stock which generated $54.2 million of cash (after underwriting discounts, commissions and other transaction related expenses). After repayment of the outstanding balances on our long-term debt, the net proceeds available for investment were approximately $15.4 million. The Company has invested the net proceeds in money market and commercial paper investments.

In April 1999, in connection with the acquisition of Resources Connection LLC, we entered into a $28.0 million credit agreement with Bankers Trust Company, now Deutsche Bank Securities Inc., U.S. Bank National Association and BankBoston, N.A., which provided for an $18.0 million term loan facility and a $10.0 million revolving credit facility. During this quarter, we repaid the remaining balance on the term loan of $11.9 million using the proceeds from our initial public offering of common stock. The credit agreement expires on October 1, 2003. As of February 28, 2001, we had no outstanding borrowings under the revolving credit facility. Borrowings under the credit agreement are secured by all of our assets. Our interest rate options under our credit agreement are prime rate plus .5 to 1.5% and a Eurodollar-based rate plus 1.5 to 2.5%. Interest is payable on the revolving credit facility at various intervals no less frequent than quarterly.

In April 1999, we issued $22.0 million of 12% subordinated promissory notes to certain investors. The notes were subordinate to our bank facilities. Interest accrued on the notes at 12% and was payable on a quarterly basis; however, we could elect and did elect to defer payment of the interest and to add the balance due to the outstanding principal balance. On December 20, 2000, the Company used approximately $26.9 million of the net proceeds from its initial public offering to retire the then outstanding balance of the subordinated promissory notes.

Net cash provided by operating activities totaled $12.3 million for the nine months ended February 28, 2001 and $7.6 million for the nine months ended February 29, 2000. Cash provided by operations resulted primarily from the net earnings of the company partially offset by growth in working capital. Working capital included $26.3 million in cash and cash equivalents at February 28, 2001.

Net cash used in investing activities totaled $1.3 million for the first nine months of fiscal 2001 compared to $2.1 million for the first nine months of fiscal 2000. Cash used in investing activities was a result of purchases of property and equipment for existing offices and newly opened offices.

Net cash provided by financing activities totaled $10.8 million for the nine months ended February 28, 2001 and net cash used in financing activities was $3.2 million for the nine months ended February 29, 2000. The net cash provided by financing activities reflects the payment required pursuant to our term debt agreement upon the completion of our initial public offering of common stock offset by the remaining proceeds of the offering.

Our ongoing operations and anticipated growth in the geographic markets we serve will require us to continue making investments in capital equipment, primarily technology hardware and software. In addition, we may consider making certain strategic acquisitions. We anticipate that our current cash, existing availability under our revolving line of credit and the ongoing cash flows from our operations will be adequate to meet our working capital and capital expenditure needs for at least the next 12 months. Our longer term plans for expanding our business anticipate that these sources of liquidity will be sufficient for the foreseeable future. If we require additional capital resources to grow our business in addition to the proceeds received in the offering completed in December 2000, either internally or through acquisition, we may seek to sell additional equity securities or to secure additional debt financing. The sale of additional equity securities or the addition of new debt financing could result in additional dilution to our stockholders. We may not be able to obtain financing arrangements in amounts or on terms acceptable to us in the future. In the event we are unable to obtain additional financing when needed, we may be compelled to delay or curtail our plans to develop our business which could have a material adverse affect on our operations, market position and competitiveness.

Recent Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board, or FASB, issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," which was later amended by both SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities -- Deferral of the Effective Date of FASB

Statement No. 133" and by SFAS No. 138, "Accounting for

Derivative Instruments and Hedging Activities - an amendment of SFAS No. 133." SFAS No. 133 established standards for the accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts, and hedging activities. The statement generally requires recognition of gains and losses on hedging instruments, based on changes in fair value or the earnings effect of a forecasted transaction. SFAS No. 133, as amended by SFAS No. 137 and SFAS No. 138, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. Management does not believe that SFAS No. 133, SFAS No. 137 or SFAS No. 138 will have a material impact on the Company's consolidated financial statements.

In December 1999, the SEC issued Staff Accounting Bulletin No. 101 (SAB 101) entitled "Revenue Recognition," which outlines the basic criteria that must be met to recognize revenue and provides guidance for the presentation of revenue and for disclosure related to revenue recognition policies in financial statements filed with the SEC. The Company adopted the provisions of SAB 101 in these consolidated financial statements for all periods presented. The adoption of SAB 101 did not impact the Company's consolidated financial statements.

In March 2000, the FASB issued Interpretation No. 44, or FIN 44, entitled "Accounting for Certain Transactions Involving Stock Compensation," which is an interpretation of Accounting Principles Board Opinion No. 25, or APB 25. This interpretation clarifies:

- the definition of an employee for purposes of applying APB 25;
- the criteria for determining whether a plan qualifies as a noncompensatory plan;
- the accounting consequences of various modifications to the terms of a previously fixed stock option or award; and
- the accounting for an exchange of stock compensation awards in a business combination.

This interpretation is effective July 1, 2000 and the adoption of FIN 44 did not impact the Company's consolidated financial statements.

Factors Affecting Future Operating Results

Important factors that could cause actual results to differ materially from the forward-looking statements include the following:

RISKS RELATED TO OUR BUSINESS

We must provide our clients with highly qualified and experienced associates, and the loss of a significant number of our associates, or an inability to attract and retain new associates, could adversely affect our business and operating results.

Our business involves the delivery of professional services, and our success depends on our ability to provide our clients with highly qualified and experienced associates who possess the skills and experience necessary to satisfy their needs. Such professionals are in great demand, particularly in certain geographic areas, and are likely to remain a limited resource for the foreseeable future. Our ability to attract and retain associates with the requisite experience and skills depends on several factors including, but not limited to, our ability to:

- provide our associates with full-time employment;
- obtain the type of challenging and high-quality projects which our associates seek;
- pay competitive compensation and provide competitive benefits; and
- provide our associates with flexibility as to hours worked and assignment of client engagements.

We cannot assure you that we will be successful in accomplishing each of these items and, even if we are, that we will be successful in attracting and retaining the number of highly qualified and experienced associates necessary to maintain and grow our business.

The market for professional services is highly competitive, and if we are unable to compete effectively against our competitors our business and operating results could be adversely affected.

We operate in a competitive, fragmented market, and we compete for clients and associates with a variety of organizations that offer similar services. The competition is likely to increase in the future due to the expected growth of the market and the relatively few barriers to entry. Our principal competitors include:

- consulting firms;
- employees loaned by the Big Five accounting firms;
- traditional and Internet-based staffing firms; and
- the in-house resources of our clients.

We cannot assure you that we will be able to compete effectively against existing or future competitors. Many of our competitors have significantly greater financial resources, greater revenues and greater name recognition, which may afford them an advantage in attracting and retaining clients and associates. In addition, our competitors may be able to respond more quickly to changes in companies' needs and developments in the professional services industry.

An economic downturn or change in the use of outsourced professional services associates could adversely affect our business.

We have not been in business during an economic downturn and our business may be significantly affected if there is an economic downturn in the future. If the general level of economic activity slows, our clients may delay or cancel plans that involve professional services, particularly outsourced professional services. Consequently, the demand for our associates could decline, resulting in a loss of revenues. In addition, the use of professional services associates on a project-by-project basis could decline for non-economic reasons. In the event of a non-economic reduction in the demand for our associates, our financial results could suffer.

Our business depends upon our ability to secure new projects from clients and, therefore, we could be adversely affected if we fail to do so.

We do not have long-term agreements with our clients for the provision of services. The success of our business is dependent on our ability to secure new projects from clients. For example, if we are unable to secure new client projects because of improvements in our competitors' service offerings or because of an economic downturn decreasing the demand for outsourced professional services, our business is likely to be materially adversely affected.

We may be unable to adequately protect our intellectual property rights, including our brand name. If we fail to adequately protect our intellectual property rights, the value of such rights may diminish and our results of operations and financial condition may be adversely affected.

We believe that establishing, maintaining and enhancing the Resources Connection brand name is essential to our business. We have filed an application for a United States trademark registration for "Resources Connection" and an application for service mark registration of our name and logo. We may be unable to secure either registration. We are aware of other companies using the name "Resources Connection" or some variation thereof. There could be potential trade name or trademark infringement claims brought against us by the users of these similar names or trademarks, and those users may have trademark rights that are senior to ours. If an infringement suit were to be brought against us, the cost of defending such a suit could be substantial. If the suit were successful, we could be forced to cease using the service mark "Resources Connection." Even if an infringement claim is not brought against us, it is also possible that our competitors or others will adopt service names similar to ours or that our clients will be confused by another company using a name or trademark similar to ours, thereby impeding our ability to build brand identity. We cannot assure you that our business would not be adversely affected if confusion did occur or if we are required to change our name.

Our clients may be confused by the presence of competitors and other companies which have names similar to our name.

We are aware of other companies using the name "Resources Connection" or some variation thereof. Some of these companies provide outsourced services, or are otherwise engaged in businesses that could be similar to ours. One company has a web address which is nearly identical to ours, "www.resourceconnection.com". The existence of these companies may confuse our clients, thereby impeding our ability to build our brand identity.

We may be legally liable for damages resulting from the performance of projects by our associates or for our clients' mistreatment of our associates.

Many of our engagements with our clients involve projects that are critical to our clients' businesses. If we fail to meet our contractual obligations, we could be subject to legal liability or damage to our reputation, which could adversely affect our business, operating results and financial condition. It is likely, because of the nature of our business, that we will be sued in the future. Claims brought against us could have a serious negative effect on our reputation and on our business, financial condition and results of operations.

Because we are in the business of placing our associates in the workplaces of other companies, we are subject to possible claims by our associates alleging discrimination, sexual harassment, negligence and other similar activities by our clients. The cost of defending such claims, even if groundless, could be substantial and the associated negative publicity could adversely affect our ability to attract and retain associates and clients.

We may not be able to grow our business, manage our growth or sustain our current business.

We have grown rapidly since our inception in 1996 by opening new offices and by increasing the volume of services we provide through existing offices. There can be no assurance that we will continue to be able to maintain or expand our market presence in our current locations or to successfully enter other markets or locations. Our ability to successfully grow our business will depend upon a number of factors, including our ability to:

- grow our client base;
- expand profitably into new cities;
- provide additional professional services lines;
- maintain margins in the face of pricing pressures; and
- manage costs.

Even if we are able to continue our growth, the growth will result in new and increased responsibilities for our management as well as increased demands on our internal systems, procedures and controls, and our administrative, financial, marketing and other resources. These new responsibilities and demands may adversely affect our business, financial condition and results of operation.

An increase in our international activities will expose us to additional operational challenges that we might not otherwise face.

As we increase our international activities, we will have to confront and manage a number of risks and expenses that we would not otherwise face if we conducted our operations solely in the United States. If any of these risks or expenses occur, there could be a material negative effect on our operating results. These risks and expenses include:

- difficulties in staffing and managing foreign offices as a result of, among other things, distance, language and cultural differences;
- expenses associated with customizing our professional services for clients in foreign countries;
- foreign currency exchange rate fluctuations, when we sell our professional services in denominations other than U.S. dollars;
- protectionist laws and business practices that favor local companies;
- political and economic instability in some international markets;
- multiple, conflicting and changing government laws and regulations;
- trade barriers;
- reduced protection for intellectual property rights in some countries; and
- potentially adverse tax consequences.

We may acquire companies in the future, and these acquisitions could disrupt our business.

Although we are not currently evaluating any potential acquisition candidates, we may acquire companies in the future. Entering into an acquisition entails many risks, any of which could harm our business, including:

- diversion of management's attention from other business concerns;
- failure to integrate the acquired company with our existing business;
- failure to motivate, or loss of, key employees from either our existing business or the acquired business;
- potential impairment of relationships with our employees and clients;
- additional operating expenses not offset by additional revenue;
- incurrence of significant non-recurring charges;
- incurrence of additional debt with restrictive covenants or other limitations;
- dilution of our stock as a result of issuing equity securities; and
- assumption of liabilities of the acquired company.

We have a limited operating history as an independent company.

We commenced operations in June 1996 as a division of Deloitte & Touche. From January 1997 through April 1999, we operated as a wholly-owned subsidiary of Deloitte & Touche. In April 1999, we were sold by Deloitte & Touche. Therefore, our business as an independent company has a limited operating history. Consequently, the financial information contained herein may not be indicative of our future financial condition and performance.

The loss of our association with Deloitte & Touche could reduce our ability to attract and retain associates and clients and will require us to enhance our infrastructure and local networks.

Our association with Deloitte & Touche, from our inception in June 1996 until April 1999, helped establish us as a high-quality professional services company and contributed to our ability to open, integrate, and establish a presence in new office locations. Apart from certain transition assistance, since April 1999 our contact with Deloitte & Touche has been reduced to the services we provide it. The loss of our association with Deloitte & Touche may adversely affect our business and our ability to attract new clients, keep existing clients and hire and retain qualified associates. We face the challenges of developing a presence in areas where we establish new offices and integrating new office locations so that they are fully operational and functional without the infrastructure previously provided by Deloitte & Touche.

The terms of our transition services agreement between Resources Connection and Deloitte & Touche may not have been on terms indicative of those available from an independent party.

As part of the management-led buyout in April 1999, we entered into a transition services agreement with Deloitte & Touche pursuant to which Deloitte & Touche agreed to provide certain services to us at negotiated rates until none of our offices remained in Deloitte & Touche office space which occurred on August 31, 2000. The negotiated rates we agreed to pay to Deloitte & Touche under the transition services agreement may not be indicative of the rates that an independent third party would have charged us for providing the same services. Specifically, an independent third party may have charged us rates more or less favorable than those charged by Deloitte & Touche. If the terms of the transition services agreement, particularly the rates charged by Deloitte & Touche, were more favorable to us than those available from a third party, our general and administrative expenses will likely increase.

Our business could suffer if we lose the services of a key member of our management.

Our future success depends upon the continued employment of Donald B. Murray, our chief executive officer, and Stephen J. Giusto, our chief financial officer. The departure of Mr. Murray, Mr. Giusto or any of the other key members of our senior management team could significantly disrupt our operations. Key members of our senior management team include Karen M. Ferguson and Brent M. Longnecker, both of whom are executive vice presidents, John D. Bower, our vice president, finance, and Kate W. Duchene, our chief legal officer and executive vice president of human relations. We do not have employment agreements with Mr. Bower or Ms. Duchene.

Deloitte & Touche has agreed not to compete with us and we may be adversely affected when the noncompete expires.

In connection with the management buy-out, Deloitte & Touche agreed not to compete with us in a manner which replicates our business model for a period ending on the earlier of April 1, 2003 or the date that Deloitte & Touche enters into a significant business combination. The noncompete does not prohibit Deloitte & Touche from using their personnel in a loaned staff capacity or from allowing their personnel to work on a less than full time basis in accordance with the human resources policies of Deloitte & Touche. When the noncompete expires, we may be adversely affected if Deloitte & Touche chooses to compete in a manner previously prohibited by the noncompete.

Our quarterly financial results may be subject to significant fluctuations.

Our results of operations could vary significantly from quarter to quarter. Factors that could affect our quarterly operating results include:

- the number of holidays in a quarter, particularly the day of the week on which they occur, over which we have no control;
- the amount and timing of operating costs and capital expenditures relating to management and expansion of our business; and
- the timing of acquisitions and related costs, such as compensation charges which fluctuate based on the market price of our common stock.

Due to these and other factors, we believe that quarter-to-quarter comparisons of our results of operations are not meaningful indicators of future performance. It is possible that in some future periods, our results of operations may be below the expectations of investors. If this occurs, the price of our common stock could decline.

We may be subject to laws and regulations that impose difficult and costly compliance requirements and subject us to potential liability and the loss of clients.

In connection with providing services to clients in certain regulated industries, such as the gaming and energy industries, we are subject to industry-specific regulations, including licensing and reporting requirements. Complying with these requirements is costly and, if we fail to comply, we could be prevented from rendering services to clients in those industries in the future.

ITEM 3.
QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure to market risk is currently confined to our cash and cash equivalents that have maturities of less than three months. At the end of the third quarter of fiscal 2001, we had no outstanding borrowings under the revolving credit facility. Because of the short term maturities of our cash and cash equivalents, we do not believe that a decrease in market rates would have any significant negative impact on the realized value of our investments.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings

We are not a party to any material legal proceedings.

Item 2. Changes in Securities and Use of Proceeds

On August 31, 2000, the Company's Certificate of Incorporation was amended to provide for the reclassification of each share of the Company's Class A Common Stock into one share of the Company's Common Stock. On December 20, 2000, upon the close of the Company's initial public offering, each outstanding share of the Company's Class B Common Stock and Class C Common Stock was converted into one share of the Company's Common Stock and the Company's Certificate of Incorporation was restated to remove all references to Class B Common Stock and Class C Common Stock.

During the three months ended February 28, 2001, we issued and sold the following unregistered securities:

Between December 1, 2000 and February 28, 2001, the Company granted options to purchase 761,600 shares of its Common Stock at a weighted average exercise price of $16.78 per share.

On November 27, 2000, the Company commenced an initial public offering of 7,475,000 shares of its Common Stock, $.01 par value (including an underwriters overallotment of 975,000 shares). On December 20, 2000, the Company completed its initial public offering with respect to 6,500,000 of the shares. On January 8, 2001, the Company completed its initial public offering with respect to the remaining 975,000 shares. The shares of Common Stock sold in the offering were registered under the Securities Act of 1933, as amended, on a Registration Statement on Form S-1, No. 333-45000, that was declared effective by the Securities and Exchange Commission on December 14, 2000. On December 15, 2000, our Common Stock commenced trading on The Nasdaq Stock Market's National Market. The managing underwriters in the offering were Credit Suisse First Boston Corporation, Deutsche Bank Securities Inc. and Robert W. Baird & Co. Incorporated. All 7,475,000 shares of Common Stock registered under the Registration Statement were sold at a price of $12.00 per share.

The Company issued and sold 5,000,000 of the aggregate 7,475,000 shares sold in the offering. The aggregate price of the shares registered and sold by the Company was $60.0 million. In connection with the offering, the Company paid an aggregate of approximately $4.2 million in underwriting discounts and commissions to the underwriters and paid other estimated expenses of approximately $1.6 million. After deducting the underwriting discounts and commissions and the estimated offering expenses described above, the Company received net proceeds from the offering of approximately $54.2 million. The Company used approximately $11.9 million of the net proceeds from the offering to repay its senior debt obligations outstanding pursuant to its existing credit agreement. The Company used approximately $26.9 million of the net proceeds from the offering to redeem the balance due on its subordinated notes, bearing 12% interest and having a maturity date of April 15, 2004. The Company plans to use the remaining approximately $15.4 million of the net proceeds from the offering for working capital and general corporate purposes. The Company has invested the remaining net proceeds from the offering in United States government securities and other short-term, investment-grade, interest-bearing instruments which have been classified as cash equivalents on the consolidated balance sheet. None of the Company's net proceeds of the offering were paid directly or indirectly to any director, officer, general partner of the Company or their associates, persons owning 10% or more of any class of equity securities of the Company, or an affiliate of the Company.

Certain stockholders of the Company issued and sold the remaining 2,475,000 of the aggregate 7,475,000 shares sold in the offering. The aggregate price of the shares registered and sold by the selling stockholders was $29.7 million. The selling stockholders paid an aggregate of approximately $2.1 million in underwriting discounts and commissions to the underwriters in connection with the offering. After deducting the underwriting discounts and commissions described above, the selling stockholders received net proceeds from the offering of approximately $27.6 million.

Our credit agreement currently prohibits us from declaring or paying any dividends or other distributions on any shares of our capital stock other than dividends payable solely in shares of capital or the stock of our subsidiaries. With limited exceptions, the covenants in our credit agreement limit our aggregate capital expenditures during each fiscal year. The aggregate amount of capital expenditures permitted by our credit agreement during fiscal 2001 is $3.0 million.

Item 3. Defaults upon Senior Securities

None.

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

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

3.1 Second Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended November 30, 2000)

3.2 Amended and Restated Bylaws (incorporated by reference to Exhibit 3.4 to the Company's Registration Statement on Form S-1 No. 333-45000)

b) Reports on Form 8-K

None.

SIGNATURES

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.

RESOURCES CONNECTION, INC.

Date: April 6, 2001

/s/ DONALD B. MURRAY*

Donald B. Murray
PRESIDENT AND CHIEF EXECUTIVE OFFICER

Date: April 6, 2001

/s/ STEPHEN J. GIUSTO

Stephen J. Giusto
CHIEF FINANCIAL OFFICER, EXECUTIVE VICE PRESIDENT OF CORPORATE DEVELOPMENT AND SECRETARY
(PRINCIPAL ACCOUNTING OFFICER)

* Signing on behalf of the registrant and as an authorized officer.