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 July 3, 2021
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: 000-24049

CRA International, Inc.

(Exact name of registrant as specified in its charter)

Massachusetts	**04-2372210**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
200 Clarendon Street, Boston, MA	**02116-5092**
(Address of principal executive offices)	(Zip Code)

(617) 425-3000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, no par value	CRAI	Nasdaq Global Select Market

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 o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	x	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No x

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 30, 2021
Common Stock, no par value per share	7,381,781 shares

CRA International, Inc.

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(in thousands, except per share data)

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Revenues	$ 148,237	$ 123,031	$ 294,755	$ 249,189
Costs of services (exclusive of depreciation and amortization)	105,042	90,168	210,416	181,165
Selling, general and administrative expenses	24,043	21,418	47,250	45,541
Depreciation and amortization	3,215	3,106	6,516	6,049
Income from operations	15,937	8,339	30,573	16,434
Interest expense, net	(409)	(372)	(608)	(734)
Foreign currency gains (losses), net	63	(102)	(488)	1,320
Income before provision for income taxes	15,591	7,865	29,477	17,020
Provision for income taxes	4,025	1,934	7,410	4,621
Net income	$ 11,566	$ 5,931	$ 22,067	$ 12,399
Net income per share:				
Basic	$ 1.57	$ 0.76	$ 2.94	$ 1.59
Diluted	$ 1.53	$ 0.75	$ 2.86	$ 1.55
Weighted average number of shares outstanding:				
Basic	7,320	7,764	7,473	7,784
Diluted	7,539	7,920	7,685	7,979

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (unaudited)

(in thousands)

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Net income	$ 11,566	$ 5,931	$ 22,067	$ 12,399
Other comprehensive income (loss)				
Foreign currency translation adjustments, net of tax	(136)	536	(247)	(1,891)
Comprehensive income	$ 11,430	$ 6,467	$ 21,820	$ 10,508

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(in thousands, except share data)

	July 3, 2021	January 2, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 13,977	$ 45,677
Accounts receivable, net of allowances of $3,959 at July 3, 2021 and $3,595 at January 2, 2021	113,105	111,595
Unbilled services, net of allowances of $1,430 at July 3, 2021 and $1,000 at January 2, 2021	60,789	40,881
Prepaid expenses and other current assets	11,549	7,068
Forgivable loans	8,654	14,749
Total current assets	208,074	219,970
Property and equipment, net	57,997	62,878
Goodwill	89,243	89,187
Intangible assets, net	4,620	5,108
Right-of-use assets	116,868	122,144
Deferred income taxes	10,980	9,667
Forgivable loans, net of current portion	44,940	46,864
Other assets	2,243	2,692
Total assets	$ 534,965	$ 558,510
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 23,880	$ 19,430
Accrued expenses	99,443	136,376
Deferred revenue and other liabilities	6,044	9,866
Current portion of lease liabilities	14,088	13,557
Current portion of deferred compensation	2,773	20,902
Revolving line of credit	45,000	—
Total current liabilities	191,228	200,131
Non-current liabilities:		
Deferred compensation and other non-current liabilities	12,487	9,188
Non-current portion of lease liabilities	132,488	139,447
Deferred income taxes	931	725
Total non-current liabilities	145,906	149,360
Commitments and contingencies (Note 10)		
Shareholders' equity:		
Preferred stock, no par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Common stock, no par value; 25,000,000 shares authorized; 7,339,322 and 7,693,497 shares issued and outstanding at July 3, 2021 and January 2, 2021, respectively	1,985	503
Retained earnings	204,576	216,999
Accumulated other comprehensive loss	(8,730)	(8,483)
Total shareholders' equity	197,831	209,019
Total liabilities and shareholders' equity	$ 534,965	$ 558,510

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(in thousands)

	Fiscal Year-to-Date Period Ended	
	July 3, 2021	**June 27, 2020**
OPERATING ACTIVITIES:		
Net income	$ 22,067	$ 12,399
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	6,516	6,049
Right-of-use asset amortization	6,437	5,894
Deferred income taxes	(1,203)	(842)
Share-based compensation expense	1,822	1,451
Accounts receivable allowances	351	(311)
Unrealized foreign currency remeasurement (gains) losses, net	(160)	34
Changes in operating assets and liabilities:		
Accounts receivable	(1,735)	5,000
Unbilled services, net	(19,913)	(13,962)
Prepaid expenses and other current assets, and other assets	(4,061)	(2,766)
Forgivable loans	8,133	(25,499)
Incentive cash awards	3,329	3,028
Accounts payable, accrued expenses, and other liabilities	(50,181)	(31,623)
Lease liabilities	(7,625)	(3,152)
Net cash used in operating activities	(36,223)	(44,300)
INVESTING ACTIVITIES:		
Purchases of property and equipment	(1,170)	(13,517)
Net cash used in investing activities	(1,170)	(13,517)
FINANCING ACTIVITIES:		
Issuance of common stock, principally stock option exercises	2,500	569
Borrowings under revolving line of credit	70,000	77,000
Repayments under revolving line of credit	(25,000)	(18,000)
Tax withholding payments reimbursed by shares	(588)	(390)
Cash paid for contingent consideration	(2,357)	—
Cash dividends paid	(3,970)	(3,624)
Repurchase of common stock	(34,977)	(3,810)
Net cash provided by financing activities	5,608	51,745
Effect of foreign exchange rates on cash and cash equivalents	85	(760)
Net decrease in cash and cash equivalents	(31,700)	(6,832)
Cash and cash equivalents at beginning of period	45,677	25,639
Cash and cash equivalents at end of period	$ 13,977	$ 18,807
Noncash investing and financing activities:		
Purchases of property and equipment not yet paid for	$ 124	$ 3,784
Asset retirement obligations	$ —	$ 155
Right-of-use assets obtained in exchange for lease obligations	$ 1,070	$ —
Restricted common stock issued for contingent consideration	$ 2,250	$ —
Supplemental cash flow information:		
Cash paid for taxes	$ 10,494	$ 2,057
Cash paid for interest	$ 379	$ 676
Cash paid for amounts included in operating lease liabilities	$ 10,325	$ 9,243

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR-TO-DATE PERIOD ENDED JULY 3, 2021 (unaudited)

(in thousands, except share data)

	Common Stock			Accumulated	
	Shares Issued	Amount	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
BALANCE AT JANUARY 2, 2021	7,693,497	$ 503	$ 216,999	$ (8,483)	$ 209,019
Net income	—	—	10,501	—	10,501
Foreign currency translation adjustment	—	—	—	(111)	(111)
Issuance of restricted common stock for contingent consideration	40,039	2,250	—	—	2,250
Exercise of stock options	41,008	1,113	—	—	1,113
Share-based compensation expense	—	842	—	—	842
Restricted shares vestings	29,494	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(9,895)	(588)	—	—	(588)
Shares repurchased	(166,552)	(4,120)	(5,522)	—	(9,642)
Accrued dividends on unvested shares	—	—	5	—	5
Cash dividends paid ($0.26 per share)	—	—	(2,061)	—	(2,061)
BALANCE AT APRIL 3, 2021	7,627,591	$ —	$ 219,922	$ (8,594)	$ 211,328
Net income	—	—	11,566	—	11,566
Foreign currency translation adjustment	—	—	—	(136)	(136)
Exercise of stock options	48,562	1,387	—	—	1,387
Share-based compensation expense	—	980	—	—	980
Restricted shares vestings	1,006	—	—	—	—
Shares repurchased	(337,837)	(382)	(24,953)	—	(25,335)
Accrued dividends on unvested shares	—	—	(50)	—	(50)
Cash dividends paid ($0.26 per share)	—	—	(1,909)	—	(1,909)
BALANCE AT JULY 3, 2021	7,339,322	$ 1,985	$ 204,576	$ (8,730)	$ 197,831

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR-TO-DATE PERIOD ENDED JUNE 27, 2020 (unaudited)

(in thousands, except share data)

	Common Stock		Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Shares Issued	Amount			
BALANCE AT DECEMBER 28, 2019	7,814,797	$ 9,265	$ 200,249	$ (11,763)	$ 197,751
Balance at December 29, 2019, as previously reported	7,814,797	$ 9,265	$ 200,249	(11,763)	$ 197,751
Cumulative effect of a change in accounting principle related to ASC 326	—	—	(203)	—	(203)
Balance at December 29, 2019, as adjusted	7,814,797	$ 9,265	$ 200,046	(11,763)	$ 197,548
Net income	—	—	6,468	—	6,468
Foreign currency translation adjustment	—	—	—	(2,427)	(2,427)
Exercise of stock options	8,200	151	—	—	151
Share-based compensation expense	—	655	—	—	655
Restricted shares vestings	23,884	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(7,843)	(390)	—	—	(390)
Shares repurchased	(82,613)	(3,810)	—	—	(3,810)
Accrued dividends on unvested shares	—	—	1	—	1
Cash dividends paid ($0.23 per share)	—	—	(1,836)	—	(1,836)
BALANCE AT MARCH 28, 2020	7,756,425	$ 5,871	$ 204,679	(14,190)	$ 196,360
Net income	—	—	5,931	—	5,931
Foreign currency translation adjustment	—	—	—	536	536
Exercise of stock options	22,611	418	—	—	418
Share-based compensation expense	—	796	—	—	796
Restricted shares vestings	513	—	—	—	—
Accrued dividends on unvested shares	—	—	(38)	—	(38)
Cash dividends paid ($0.23 per share)	—	—	(1,788)	—	(1,788)
BALANCE AT JUNE 27, 2020	7,779,549	$ 7,085	$ 208,784	$ (13,654)	$ 202,215

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Summary of Significant Accounting Policies

Description of Business

CRA International, Inc. ("CRA" or the "Company") is a worldwide leading consulting services firm that applies advanced analytic techniques and in-depth industry knowledge to complex engagements for a broad range of clients. CRA offers services in two broad areas: litigation, regulatory, and financial consulting and management consulting. CRA operates in one business segment. CRA operates its business under its registered trade name, Charles River Associates.

Basis of Presentation

The unaudited condensed consolidated financial statements include the accounts of CRA International, Inc. and its wholly-owned subsidiaries (collectively the "Company"), which require consolidation after the elimination of intercompany accounts and transactions. These financial statements have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") for Quarterly Reports on Form 10-Q. Accordingly, these financial statements do not include all the information and note disclosures required by accounting principles generally accepted in the United States of America ("GAAP") for annual financial statements. In the opinion of management, these financial statements reflect all adjustments of a normal, recurring nature necessary for the fair presentation of CRA's results of operations, financial position, cash flows, and shareholders' equity for the interim periods presented in conformity with GAAP. Results of operations for the interim periods presented herein are not necessarily indicative of results of operations for a full year. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto for the fiscal year ended January 2, 2021 included in CRA's Annual Report on Form 10-K filed with the SEC on March 4, 2021 (the "2020 Form 10-K"). Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on previously reported results of operations, financial position, or cash flows.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make significant estimates and judgments that affect the reported amounts of assets and liabilities, as well as the related disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of consolidated revenues and expenses during the reporting period. Estimates in these condensed consolidated financial statements include, but are not limited to, allowances for accounts receivable and unbilled services, revenue recognition on fixed price contracts, variable consideration to be included in the transaction price of revenue contracts, depreciation of property and equipment, measurement of operating lease right-of-use ("ROU") assets and liabilities, share-based compensation, valuation of contingent consideration liabilities, valuation of acquired intangible assets, impairment of long-lived assets, goodwill, accrued and deferred income taxes, valuation allowances on deferred tax assets, accrued incentive compensation, and certain other accrued expenses. These items are monitored and analyzed by CRA for changes in facts and circumstances, and material changes in these estimates could occur in the future. Changes in estimates are recorded in the period in which they become known. CRA bases its estimates on historical experience and various other assumptions that CRA believes to be reasonable under the circumstances. Actual results may differ from those estimates if CRA's assumptions based on past experience or other assumptions do not turn out to be substantially accurate.

Common Stock and Equity

Equity transactions consist primarily of the repurchase by CRA of its common stock under its share repurchase program and the recognition of compensation expense and issuance of common stock under CRA's 2006 Equity Incentive Plan. The Company repurchases its common stock under its share repurchase program in open market purchases (including through any Rule 10b5-1 plan adopted by CRA) or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations. During the fiscal quarter ended July 3, 2021, CRA repurchased shares of its common stock through a modified "Dutch auction" self-tender offer, as further described in Note 11.

The purchase price of repurchases is first charged against available paid-in capital ("PIC") until PIC is exhausted, wherein purchases will be charged to retained earnings. CRA's common stock has no par value. All shares repurchased have been retired.

Recent Accounting Standards Adopted

Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes

CRA adopted Accounting Standards Update ("ASU") No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 2019-12") on the first day of fiscal 2021. ASU 2019-12 simplifies or clarifies accounting for income taxes by changing prior guidance related to accounting for year-to-date losses in interim periods, accounting for tax law changes in interim periods, determining when a deferred tax liability is recognized for foreign subsidiaries that transition to or from being accounted for as equity method investments, application of income tax guidance to franchise taxes that are partially based on income, and making an intra-period allocation in situations where there is a loss in continuing operations and income or gain from other items. ASU 2019-12 also introduces new guidance to evaluate whether a step up in the tax basis of goodwill relates to a business combination or a separate transaction and provides a policy election to not allocate consolidated income taxes when a member of a consolidated tax return is not subject to income tax. The adoption of the new standard did not have a material impact on CRA's financial position, results of operations, cash flows, or disclosures on the date of transition.

2. Revenue Recognition

The contracts CRA enters into and operates under specify whether the projects are billed on a time-and-materials or a fixed-price basis. Time-and-materials contracts are typically used for litigation, regulatory, and financial consulting projects while fixed-price contracts are principally used for management consulting projects. In general, project costs are classified in costs of services and are based on the direct salary of CRA's employee consultants on the engagement, plus all direct expenses incurred to complete the project, including any amounts billed to CRA by its non-employee experts.

Disaggregation of Revenue

The following tables disaggregate CRA's revenue by type of contract and geographic location (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
Type of Contract	**July 3, 2021**	**June 27, 2020**	**July 3, 2021**	**June 27, 2020**
Consulting services revenues				
Fixed-price	$ 36,245	$ 30,783	$ 69,678	$ 59,771
Time-and-materials	111,992	92,248	225,077	189,418
Total	$ 148,237	$ 123,031	$ 294,755	$ 249,189

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
Geographic Breakdown	**July 3, 2021**	**June 27, 2020**	**July 3, 2021**	**June 27, 2020**
Consulting services revenues				
United States	$ 120,810	$ 99,416	$ 238,057	$ 200,156
United Kingdom	19,740	17,931	43,026	36,997
Other	7,687	5,684	13,672	12,036
Total	$ 148,237	$ 123,031	$ 294,755	$ 249,189

Reserves for Variable Consideration and Credit Risk

Revenues from CRA's consulting services are recorded at the net transaction price, which includes estimates of variable consideration for which reserves are established. Variable consideration reserves are based on specific price concessions and those expected to be extended to CRA customers estimated by CRA's historical realization rates. Reserves for variable consideration are recorded as a component of the allowances for accounts receivable and unbilled services on the condensed consolidated balance sheets. Adjustments to the reserves for variable consideration are included in revenues on the condensed consolidated statements of operations.

CRA also maintains allowances for accounts receivable and unbilled services for estimated losses resulting from clients' failure to make required payments. CRA adopted ASU No. 2016-13, *Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASC 326") on the first day of fiscal 2020, which changed the method CRA utilizes to estimate reserves related to credit risk. As a result of the adoption, CRA recognized a $0.2 million cumulative-effect increase to allowances for accounts receivable and unbilled services and a reduction to the fiscal 2020 opening balance of retained earnings.

The following table presents CRA's bad debt expense, net of recoveries of previously written off allowances (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Bad debt expense (recovery), net	$ 2	$ (102)	$ (11)	$ (43)

Reimbursable Expenses

Revenues also include reimbursements for costs incurred by CRA in fulfilling its performance obligations, including travel and other out-of-pocket expenses, fees for outside consultants and other reimbursable expenses. CRA recovers substantially all of these costs. The following expenses are subject to reimbursement (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Reimbursable expenses	$ 17,176	$ 14,815	$ 33,655	$ 31,245

Contract Balances from Contracts with Customers

CRA defines contract assets as assets for which it has recorded revenue because it determines that it is probable that it will earn a performance-based or contingent fee but is not yet entitled to receive a fee because certain events, such as completion of the measurement period or client approval, must occur. The contract assets balance was immaterial as of July 3, 2021 and January 2, 2021.

When consideration is received, or such consideration is unconditionally due from a customer prior to transferring consulting services to the customer under the terms of a contract, a contract liability is recorded. Contract liabilities are recognized as revenue after performance obligations have been satisfied and all revenue recognition criteria have been met. The following table presents the closing balances of CRA's contract liabilities (in thousands):

	July 3, 2021	January 2, 2021
Contract liabilities	$ 1,893	$ 5,527

CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

CRA recognized the following revenue that was included in the contract liabilities balance as of the opening of the respective period or for performance obligations satisfied in previous periods (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Amounts included in contract liabilities at the beginning of the period	$ 2,220	$ 2,940	$ 5,057	$ 3,250
Performance obligations satisfied in previous periods	$ 4,471	$ 3,554	$ 2,684	$ 4,075

3. Forgivable Loans

In order to attract and retain highly skilled professionals, CRA may issue forgivable loans to employees and non-employee experts, certain of which may be denominated in local currencies. A portion of these loans is collateralized. The principal amount of forgivable loans and accrued interest is forgiven by CRA over the term of the loans, so long as the employee or non-employee expert continues employment or affiliation with CRA and complies with certain contractual requirements. The expense associated with the forgiveness of the principal amount of the loans is recorded as compensation expense over the service period, which is consistent with the term of the loans.

The following table presents forgivable loan activity for the respective periods (in thousands):

	Fiscal Year-to-Date Period Ended	Fiscal Year Ended
	July 3, 2021	January 2, 2021
Beginning balance	$ 61,613	$ 55,141
Advances	4,530	42,418
Reclassifications from accrued expenses or to other assets (1)	—	(9,713)
Amortization	(12,656)	(26,628)
Effects of foreign currency translation	107	395
Ending balance	$ 53,594	$ 61,613
Current portion of forgivable loans	$ 8,654	$ 14,749
Non-current portion of forgivable loans	$ 44,940	$ 46,864

(1) Relates to the reclassification of performance awards previously recorded as accrued expenses or forgivable loans that have been reclassified to other receivables.

4. Goodwill and Intangible Assets

The changes in the carrying amount of goodwill for the fiscal year-to-date period ended July 3, 2021 are summarized as follows (in thousands):

Goodwill	$ 161,080
Accumulated goodwill impairment	(71,893)
Goodwill, net at January 2, 2021	89,187
Foreign currency translation adjustment	56
Goodwill, net at July 3, 2021 (1)	$ 89,243

(1) Goodwill, net at July 3, 2021, is comprised of goodwill of $161.1 million and accumulated impairment of $71.9 million.

Intangible assets that are separable from goodwill and have determinable useful lives are valued separately and amortized over their expected useful lives. There were no impairment losses related to intangible assets during the fiscal quarter ended July 3, 2021 or during the fiscal year ended January 2, 2021.

The components of acquired identifiable intangible assets are as follows (in thousands):

	July 3, 2021	January 2, 2021
Non-competition agreements	$ 280	$ 280
Customer relationships	8,220	12,120
Total cost	8,500	12,400
Accumulated amortization	(3,880)	(7,292)
Total intangible assets, net	$ 4,620	$ 5,108

5. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	July 3, 2021	January 2, 2021
Compensation and related expenses	$ 89,954	$ 123,540
Income taxes payable	449	1,927
Performance awards	2,103	2,176
Other professional fees	1,655	1,541
Direct project accruals	2,442	3,988
Accrued leasehold improvements	40	52
Other	2,800	3,152
Total accrued expenses	$ 99,443	$ 136,376

As of July 3, 2021, and January 2, 2021, approximately $67.5 million and $102.6 million, respectively, of accrued bonuses were included above in "Compensation and related expenses."

6. Income Taxes

For the fiscal quarters ended July 3, 2021 and June 27, 2020, CRA's effective income tax rate ("ETR") was 25.8% and 24.6%, respectively. The ETR for the second quarter of fiscal 2021 was higher than the prior year primarily due to the prior year's tax impact of increased forecasted profit as compared to the fiscal quarter ended March 28, 2020, that was non-recurring in the current year. The rate was also higher this year as a result of the remeasurement of the U.K.'s long-term deferred tax liabilities stemming from the enactment of a U.K. statutory tax rate increase offset by an increase in the tax benefit related to the accounting for stock-based compensation.

For the fiscal year-to-date periods ended July 3, 2021 and June 27, 2020, CRA's ETR was 25.1% and 27.2%, respectively. The ETR for the current fiscal year-to-date period was lower than the prior year due in part to the higher year-to-date profit to dilute the tax impact of non-deductible items resulting primarily from limitations on the deductibility of compensation paid to executive officers. The rate was also lower due to an increase in the tax benefit related to the accounting for stock-based compensation partially offset by the impact of U.K. statutory tax rate increase.

CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

During the fourth quarter of fiscal 2020, CRA considered the operating needs of the United Kingdom ("U.K.") subsidiary, as well as the tax implications of no longer asserting indefinite reinvestment with respect to the U.K. operations. As a result of both a qualitative and quantitative analysis, previously taxed and untaxed post fiscal 2018 U.K. earnings were no longer considered permanently reinvested. Deferred taxes that are a consequence of foreign exchange translation resulting from earnings that are no longer considered permanently reinvested are recorded as a component of foreign currency translation adjustments on the condensed consolidated statements of comprehensive income. For the fiscal quarter ended April 3, 2021, CRA's U.K. subsidiary distributed approximately £12.0 million of both previously taxed and untaxed earnings to CRA's U.S. parent entity, the foreign currency translation impact of which was immaterial. Deferred income taxes or foreign withholding taxes, estimated to be $0.4 million, have not been recorded for other jurisdictions as those earnings are considered to be permanently reinvested.

7. Net Income Per Share

CRA calculates basic earnings per share using the two-class method. CRA calculates diluted earnings per share using the more dilutive of either the two-class method or treasury stock method. The two-class method was more dilutive for the fiscal quarters and fiscal year-to-date periods ended July 3, 2021 and June 27, 2020.

Under the two-class method, net earnings are allocated to each class of common stock and participating security as if all the net earnings for the period had been distributed. CRA's participating securities consist of unvested share-based payment awards that contain a nonforfeitable right to receive dividends and therefore are considered to participate in undistributed earnings with common shareholders. Net earnings allocable to these participating securities were not material for the fiscal quarters and fiscal year-to-date periods ended July 3, 2021 and June 27, 2020.

The following table presents a reconciliation from net income to the net income available to common shareholders (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Net income, as reported	$ 11,566	$ 5,931	$ 22,067	$ 12,399
Less: net income attributable to participating shares	51	22	97	49
Net income available to common shareholders	$ 11,515	$ 5,909	$ 21,970	$ 12,350

The following table presents a reconciliation of basic to diluted weighted average shares of common stock outstanding (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Basic weighted average shares outstanding	7,320	7,764	7,473	7,784
Dilutive stock options and restricted stock units	219	156	212	195
Diluted weighted average shares outstanding	7,539	7,920	7,685	7,979

The following table presents the anti-dilutive share-based awards that were excluded from the calculation of common stock equivalents for purposes of computing diluted weighted average shares outstanding. For the fiscal quarter and fiscal year-to-date period ended June 27, 2020, the share-based awards each period were anti-dilutive because their exercise price exceeded the average market price over the respective period. There were no anti-dilutive shares for the fiscal quarter and fiscal year-to-date period ended July 3, 2021.

CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Anti-dilutive share-based awards excluded	—	106,018	—	44,069

8. Fair Value of Financial Instruments

As of July 3, 2021, CRA did not have any financial instruments measured at fair value on a recurring basis. The following table presents CRA's financial instruments recorded in the condensed consolidated financial statements at January 2, 2021, which are measured at fair value on a recurring basis by level within the fair value hierarchy (in thousands):

	January 2, 2021		
	Level 1	Level 2	Level 3
Assets:			
Money market mutual funds	$ 150	$ —	$ —
Total Assets	$ 150	$ —	$ —
Liabilities:			
Contingent consideration liability	$ —	$ —	$ 14,620
Total Liabilities	$ —	$ —	$ 14,620

The fair value of CRA's money market mutual fund share holdings was $1.00 per share.

The contingent consideration liability pertained to estimated future contingent consideration payments related to the acquisition of C1 Consulting, LLC, an independent consulting firm, and its wholly-owned subsidiary C1 Associates (collectively, "C1"). The following table summarizes the changes in the contingent consideration liabilities (in thousands):

	Fiscal Year-to-Date Period Ended	Fiscal Year Ended
	July 3, 2021	January 2, 2021
Beginning balance	$ 14,620	$ 11,579
Remeasurement of acquisition-related contingent consideration	—	1,156
Accretion	380	1,885
Payment of contingent consideration	(15,000)	—
Ending balance	$ —	$ 14,620

9. Credit Agreement

CRA is party to an amended and restated credit agreement that provides the Company with a $175.0 million revolving credit facility, which reflects an increase to the capacity by $50.0 million per an amendment to the credit agreement on January 12, 2021, and includes a $15.0 million sublimit for the issuance of letters of credit. CRA may use the proceeds of the revolving credit facility to provide working capital and for other general corporate purposes. CRA may repay any borrowings under the revolving credit facility at any time, but any borrowings must be repaid no later than October 24, 2022. There was $45.0 million in borrowings outstanding under this revolving credit facility as of July 3, 2021. There were no borrowings outstanding under this facility as of January 2, 2021.

As of July 3, 2021, the amount available under this revolving credit facility was reduced by certain letters of credit outstanding, which amounted to $4.4 million. Under the credit agreement, CRA must comply with various financial and non-financial covenants. Compliance with these financial covenants is tested on a fiscal quarterly basis. As of July 3, 2021, CRA was in compliance with the covenants of its credit agreement.

10. Commitments and Contingencies

As described in the previous note, CRA is party to standby letters of credit with its bank in support of minimum future lease payments under leases for permanent office space.

CRA is subject to legal actions arising in the ordinary course of business. In management’s opinion, based on current knowledge, CRA believes it has adequate legal defenses or insurance coverage, or both, with respect to the eventuality of such actions. CRA does not believe any settlement or judgment relating to any pending legal action would materially affect its financial position or results of operations**.** However, the outcome of such legal actions is inherently unpredictable and subject to inherent uncertainties.

11. Self-Tender Offer

On March 8, 2021, CRA commenced a modified "Dutch auction" self-tender offer to purchase up to $25.0 million in value of shares of its common stock at a price of not less than $66.25 per share nor greater than $76.00 per share. The self-tender offer expired on April 5, 2021. On April 8, 2021, CRA paid $25.3 million, including transaction costs, to repurchase 337,837 shares at a purchase price of $74.00 per share. The purchase price and transaction costs were funded from the revolving credit facility and cash on hand. The repurchased shares were retired.

12. Subsequent Events

On August 5, 2021, CRA announced that its Board of Directors declared a quarterly cash dividend of $0.26 per common share, payable on September 10, 2021 to shareholders of record as of August 31, 2021.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

Except for historical facts, the statements in this quarterly report are forward-looking statements. Forward-looking statements are merely our current predictions of future events. These statements are inherently uncertain, and actual events could differ materially from our predictions. Important factors that could cause actual events to vary from our predictions include those discussed below under the heading "Risk Factors." We assume no obligation to update our forward-looking statements to reflect new information or developments. We urge readers to review carefully the risk factors described in the other documents that we file with the Securities and Exchange Commission, or SEC. You can read these documents at www.sec.gov.

Our principal Internet address is www.crai.com. Our website provides a link to a third-party website through which our annual, quarterly, and current reports, and amendments to those reports, are available free of charge. We believe these reports are made available as soon as reasonably practicable after we file them electronically with, or furnish them to, the SEC. We do not maintain or provide any information directly to the third-party website, and we do not check its accuracy.

Our website also includes information about our corporate governance practices. The Investor Relations page of our website provides a link to a web page where you can obtain a copy of our code of business conduct and ethics applicable to our principal executive officer, principal financial officer, and principal accounting officer.

Critical Accounting Policies and Estimates

Our critical accounting policies involving the more significant estimates and judgments used in the preparation of our financial statements as of July 3, 2021 remain unchanged from January 2, 2021. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended January 2, 2021, filed with the Securities and Exchange Commission on March 4, 2021, for details on these critical accounting policies.

Recent Accounting Standards

Please refer to the sections captioned "Recent Accounting Standards Adopted" included in Note 1, "Summary of Significant Accounting Policies" in Part I, Item I, "Financial Statements" of this report.

Results of Operations—For the Fiscal Quarter and Fiscal Year-to-Date Periods Ended July 3, 2021, Compared to the Fiscal Quarter and Fiscal Year-to-Date Periods Ended June 27, 2020

The following table provides operating information as a percentage of revenues for the periods indicated:

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Revenues	100.0 %	100.0 %	100.0 %	100.0 %
Costs of services (exclusive of depreciation and amortization)	70.9	73.3	71.4	72.7
Selling, general and administrative expenses	16.2	17.4	16.0	18.3
Depreciation and amortization	2.2	2.5	2.2	2.4
Income from operations	10.8	6.8	10.4	6.6
Interest expense, net	(0.3)	(0.3)	(0.2)	(0.3)
Foreign currency gains (losses), net (1)	—	(0.1)	(0.2)	0.5
Income before provision for income taxes	10.5	6.4	10.0	6.8
Provision for income taxes	2.7	1.6	2.5	1.9
Net income	7.8 %	4.8 %	7.5 %	5.0 %

(1) Percentage calculates to less than 0.1% for the fiscal quarter ended July 3, 2021.

Fiscal Quarter Ended July 3, 2021, Compared to the Fiscal Quarter Ended June 27, 2020

Revenues. Revenues increased by $25.2 million, or 20.5%, to $148.2 million for the second quarter of fiscal 2021 from $123.0 million for the second quarter of fiscal 2020. The increase in net revenue was a result of an increase in gross revenues of $25.5 million as compared to the second quarter of fiscal 2020, partially offset by an increase in write-offs and reserves of $0.3 million compared to the second quarter of fiscal 2020. Utilization increased to 75% for the second quarter of fiscal 2021 from 66% for the second quarter of fiscal 2020, while consultant headcount grew 3.9% from 802 at the end of the second quarter of fiscal 2020 to 833 at the end of the second quarter of fiscal 2021.

Overall, revenues outside of the U.S. represented approximately 19% of net revenues for the second quarter of fiscal 2021 and fiscal 2020. Revenues derived from fixed-price projects decreased to 24% of total revenues for the second quarter of fiscal 2021 compared with 25% of net revenue for the second quarter of fiscal 2020. The percentage of revenue derived from fixed-price projects depends largely on the proportion of our revenues derived from our management consulting business, which typically has a higher concentration of fixed-price service contracts.

Costs of Services (exclusive of depreciation and amortization). Costs of services (exclusive of depreciation and amortization) increased by $14.8 million, or 16.5%, to $105.0 million for the second quarter of fiscal 2021 from $90.2 million for the second quarter of fiscal 2020. The increase in costs of services was due primarily to an increase of $3.5 million in employee compensation and fringe benefit costs attributable to our increased consultant headcount, an increase in incentive and retention compensation costs of $8.8 million, and an increase in forgivable loan amortization of $0.3 million. Additionally, client reimbursable expenses increased by $2.4 million in the second quarter of fiscal 2021 compared to the second quarter of fiscal 2020. As a percentage of revenues, costs of services (exclusive of depreciation and amortization) decreased to 70.9% for the second quarter of fiscal 2021 from 73.3% for the second quarter of fiscal 2020.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $2.6 million, or 12.3%, to $24.0 million for the second quarter of fiscal 2021 from $21.4 million for the second quarter of fiscal 2020. Within this category of expenses, there was a $1.8 million increase in commissions to our non-employee experts, a $0.8 million increase in employee and incentive compensation, a $0.1 million increase in bad debt expense, and a $0.8 million increase in miscellaneous and other costs. Partially offsetting the increase in these expenses was a $0.9 million decrease in rent expense for the second quarter of fiscal 2021 as compared to the second quarter of fiscal 2020.

As a percentage of revenues, selling, general and administrative expenses decreased to 16.2% for the second quarter of fiscal 2021 from 17.4% for the second quarter of fiscal 2020. Commissions to our non-employee experts increased to 3.2% of revenues for the second quarter of fiscal 2021 compared to 2.4% of revenues for the second quarter of fiscal 2020.

Provision for Income Taxes. The income tax provision was $4.0 million and the effective tax rate ("ETR") was 25.8% for the second quarter of fiscal 2021 compared to $1.9 million and 24.6% for the second quarter of fiscal 2020. The ETR for the second quarter of fiscal 2021 was higher than the prior year primarily due to the prior year's tax impact of increased forecasted profit as compared to the fiscal quarter ended March 28, 2020, that was non-recurring in the current year. The rate was also higher this year as a result of the remeasurement of the U.K.'s long-term deferred tax liabilities stemming from the enactment of a U.K. statutory tax rate increase offset by an increase in the tax benefit related to the accounting for stock-based compensation. The ETR for the second quarter of fiscal 2021 was lower than the combined federal and state statutory tax rate due to the tax benefit related to the accounting for stock-based compensation, partially offset by non-deductible items resulting primarily from limitations of compensation paid to executive officers and the impact of the U.K. statutory tax rate change. The ETR for the second quarter of fiscal 2020 was lower than the combined federal and state statutory tax rate due to the tax benefit related to the accounting for stock-based compensation as well as the impact of continued strong profit generation, partially offset by non-deductible items resulting primarily from limitations on the deductibility of compensation paid to executive officers and meals and entertainment.

Net Income. Net income increased by $5.7 million to $11.6 million for the second quarter of fiscal 2021 from $5.9 million for the second quarter of fiscal 2020. The net income per diluted share was $1.53 per share for the second quarter of fiscal 2021, compared to $0.75 of net income per diluted share for the second quarter of fiscal 2020. Weighted average diluted shares outstanding decreased by approximately 381,000 shares to approximately 7,539,000 shares for the second quarter of fiscal 2021 from approximately 7,920,000 shares for the second quarter of fiscal 2020. The decrease in weighted average diluted shares outstanding was primarily due to the repurchase of shares of our common stock since June 27, 2020, offset in part by the vesting of shares of restricted stock and time-vesting restricted stock units, the issuance of common stock for contingent consideration, and the exercise of stock options since June 27, 2020.

Fiscal Year-to-Date Period Ended July 3, 2021, Compared to the Fiscal Year-to-Date Period Ended June 27, 2020

Revenues. Revenues increased by $45.6 million, or 18.3%, to $294.8 million for the fiscal year-to-date period ended July 3, 2021 from $249.2 million for the fiscal year-to-date period ended June 27, 2020. The increase in net revenue was a result of an increase in gross revenues of $47.6 million as compared to the fiscal year-to-date period ended June 27, 2020, and a increase in write-offs and reserves of $2.0 million as compared to the fiscal year-to-date period ended June 27, 2020. Utilization increased to 76% for the fiscal year-to-date period ended July 3, 2021 from 68% for the fiscal year-to-date period ended June 27, 2020, while consultant headcount grew 3.9% from 802 at the end of the second quarter of fiscal 2020 to 833 at the end of the second quarter of fiscal 2021.

Overall, revenues outside of the U.S. represented approximately 19% and 20% of net revenues for the fiscal year-to-date periods ended July 3, 2021 and June 27, 2020, respectively. Revenues derived from fixed-price projects were 24% of net revenues for each of the fiscal year-to-date periods ended July 3, 2021 and June 27, 2020. The percentage of revenue derived from fixed-price projects depends largely on the proportion of our revenues derived from our management consulting business, which typically has a higher concentration of fixed-price service contracts.

Costs of Services (exclusive of depreciation and amortization). Costs of services (exclusive of depreciation and amortization) increased by $29.2 million, or 16.1%, to $210.4 million for the fiscal year-to-date period ended July 3, 2021 from $181.2 million for the fiscal year-to-date period ended June 27, 2020. The increase in costs of services was due primarily to an increase of $8.0 million in employee compensation and fringe benefit costs associated with our increased consulting headcount, an increase in incentive and retention compensation costs of $19.0 million, an increase in forgivable loan amortization of $1.2 million, partially offset by a decrease in expense related to other compensation of $0.9 million, and a decrease in the valuation expense of the contingent consideration of $0.6 million. Additionally, client reimbursable expenses increased by $2.5 million in the fiscal year-to-date period ended July 3, 2021 compared to the fiscal year-to-date period ended June 27, 2020. As a percentage of revenues, costs of services (exclusive of depreciation and amortization) decreased to 71.4% for the fiscal year-to-date period ended July 3, 2021 from 72.7% for the fiscal year-to-date period ended June 27, 2020.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $1.8 million, or 3.8%, to $47.3 million for the fiscal year-to-date period ended July 3, 2021 from $45.5 million for the fiscal year-to-date period ended June 27, 2020. Within this category of expenses, there was a $2.8 million increase in commissions to our non-employee experts, a $1.4 million increase in employee and incentive compensation, and a $0.8 million increase in miscellaneous and other costs. Partially offsetting the increase in these expenses was a $1.1 million decrease in travel and entertainment, a $0.8 million decrease in legal and other professional services fees, and a $1.3 million decrease in rent expense for the fiscal year-to-date period ended July 3, 2021 as compared to the fiscal year-to-date period ended June 27, 2020.

As a percentage of revenues, selling, general and administrative expenses decreased to 16.0% for the fiscal year-to-date period ended July 3, 2021 from 18.3% for the fiscal year-to-date period ended June 27, 2020. Commissions to our non-employee experts increased to 2.9% of revenues for the fiscal year-to-date period ended July 3, 2021 compared to 2.3% of revenues for the fiscal year-to-date period ended June 27, 2020.

Provision for Income Taxes. For the fiscal year-to-date period ended July 3, 2021, our income tax provision was $7.4 million, and the ETR was 25.1%, compared to $4.6 million and 27.2% for the fiscal year-to-date period ended June 27, 2020. The ETR for the fiscal year-to-date period ended July 3, 2021 was lower than the prior year due in part to the higher year-to-date profit to dilute the tax impact of non-deductible items resulting primarily from limitations of compensation paid to executive officers. The rate was also lower due to an increase in the tax benefit related to the accounting for stock-based compensation partially offset by the impact of the U.K. statutory tax rate increase. The ETR in the fiscal year-to-date period ended July 3, 2021 was lower than the combined federal and state statutory tax rate due to the tax benefit related to accounting for stock-based compensation, partially offset by non-deductible items resulting primarily from limitations on the deductibility of compensation paid to executive officers and the impact of the U.K. statutory tax rate change. The ETR for the fiscal year-to-date period ended June 27, 2020 was the same as the combined federal and state statutory tax rate but included the effect of offsetting adjustments primarily driven by the tax benefit on stock-based compensation and non-deductible items resulting from limitations on the deductibility of compensation paid to executive officers and meals and entertainment.

Net Income. Net income increased by $9.7 million to $22.1 million for the fiscal year-to-date period ended July 3, 2021 from $12.4 million for the fiscal year-to-date period ended June 27, 2020. The diluted net income per share was $2.86 for the fiscal year-to-date period ended July 3, 2021, compared to diluted net income per share of $1.55 for the fiscal year-to-date period ended June 27, 2020. Weighted average diluted shares outstanding decreased by approximately 294,000 to approximately 7,685,000 shares for the fiscal year-to-date period ended July 3, 2021 from approximately 7,979,000 shares for the fiscal year-to-date period ended June 27, 2020. The decrease in weighted average diluted shares outstanding was primarily due to the repurchase of shares of our common stock since June 27, 2020, offset in part by the vesting of restricted stock and time-vesting restricted stock units, the issuance of common stock for contingent consideration, and the exercise of stock options since June 27, 2020.

Liquidity and Capital Resources

Fiscal Year-to-Date Period Ended July 3, 2021

We believe that our current cash, cash equivalents, cash generated from operations, and amounts available under our revolving credit facility will be sufficient to meet our anticipated working capital and capital expenditure requirements for at least the next 12 months.

General. During the fiscal year-to-date period ended July 3, 2021, cash and cash equivalents decreased by $31.7 million. We completed the period with cash and cash equivalents of $14.0 million. The principal drivers of the reduction of cash were payment of a significant portion of our fiscal 2020 performance bonuses in the first and second fiscal quarters of fiscal 2021, the payment of the contingent consideration liability, the repurchase of shares, and the payment of dividends, offset by net borrowings of $45.0 million.

During the fiscal year-to-date period ended July 3, 2021, working capital (defined as current assets less current liabilities) decreased by $3.0 million to $16.8 million. The decrease in working capital was principally due to a decrease in cash and cash equivalents of $31.7 million and an increase in borrowings of $45.0 million. Partially offsetting these decreases in working capital was a decrease in accrued expenses of $36.9 million, an increase in accounts receivable and unbilled services of $21.4 million, a decrease in the current portion of our forgivable loans of $6.1 million, and a decrease in the current portion of deferred compensation of $18.1 million.

At July 3, 2021, $3.7 million of our cash and cash equivalents was held within the U.S. We have sufficient sources of liquidity in the U.S., including cash flow from operations and availability on our revolving credit facility to fund U.S. operations for the next 12 months without the need to repatriate funds from our foreign subsidiaries.

Sources and Uses of Cash. During the fiscal year-to-date period ended July 3, 2021, net cash used in operating activities was $36.2 million. Net income was $22.1 million for the fiscal year-to-date period ended July 3, 2021. The primary factor in cash used in operations was the decrease in accounts payable, accrued expenses, and other liabilities of $50.2 million, due primarily to the payment of a significant portion of our fiscal 2020 performance bonuses and performance awards and the payment of the contingent consideration liability. Other uses of cash included a $7.6 million decrease in lease liabilities, a net increase of $21.2 million in accounts receivable and unbilled receivables due primarily to the increase in revenues and the timing of billings, and a $4.1 million increase in prepaid expenses and other current assets primarily related to the timing of renewing annual subscriptions. The decrease in forgivable loans for the period of $8.1 million was primarily driven by $4.5 million of forgivable loan issuances, offset by $12.6 million of forgivable loan amortization. Cash used in operations included incentive cash award expense of $3.3 million, non-cash depreciation and amortization expense of $6.5 million, right-of-use amortization of $6.4 million, share-based compensation expenses of $1.8 million, and other non-cash benefits of $1.3 million.

During the fiscal year-to-date period ended July 3, 2021, net cash used in investing activities was $1.2 million for capital expenditures primarily related to purchases of office equipment.

During the fiscal year-to-date period ended July 3, 2021, net cash provided by financing activities was $5.6 million, primarily as a result of borrowings, net of repayments, under the revolving credit facility of $45.0 million and $2.5 million received upon the issuance of shares of common stock related to the exercise of stock options. Offsetting these increases in cash were the tax withholding payments reimbursed by restricted shares of $0.6 million, payment of $4.0 million of cash dividends and dividend equivalents, $35.0 million of repurchases of common stock, and a portion of the payment of the contingent consideration classified as a financing activity in the amount of $2.4 million.

Lease Commitments

We are a lessee under certain operating leases for office space and equipment. Certain of our operating leases have terms that impose asset retirement obligations due to office modifications or the periodic redecoration of the premises, which are included in facility-related liabilities on our consolidated balance sheets and are recorded at a value based on their estimated discounted cash flows. We expect to satisfy these lease and related obligations, as they become due, from cash generated from operations.

Indebtedness

We are party to an amended and restated credit agreement that provides us with a $175.0 million revolving credit facility, which reflects an increase to the capacity by $50.0 million per an amendment to the credit agreement on January 12, 2021, and includes a $15.0 million sublimit for the issuance of letters of credit. We may use the proceeds of the revolving credit facility to provide working capital and for other general corporate purposes. Generally, we may repay any borrowings under the revolving credit facility at any time, but we must repay all borrowings no later than October 24, 2022. There was $45.0 million in borrowings outstanding under the revolving credit facility as of July 3, 2021.

The amount available under the revolving credit facility is reduced by certain letters of credit outstanding, which amounted to $4.4 million as of July 3, 2021. Borrowings under the revolving credit facility bear interest at a rate per annum, at our election, of either (i) the adjusted base rate, as defined in the credit agreement, plus an applicable margin, which varies between 0.25% and 1.25% depending on our total leverage ratio as determined under the credit agreement, or (ii) the adjusted eurocurrency rate, as defined in the credit agreement, plus an applicable margin, which varies between 1.25% and 2.25% depending on our total leverage ratio. We are required to pay a fee on the unused portion of the revolving credit facility at a rate per annum that varies between 0.20% and 0.35% depending on our total leverage ratio. Borrowings under the revolving credit facility are secured by 100% of the stock of certain of our U.S. subsidiaries and 65% of the stock of certain of our foreign subsidiaries, which represent approximately $31.3 million in net assets as of July 3, 2021.

Under the credit agreement, we must comply with various financial and non-financial covenants. Compliance with these financial covenants is tested on a fiscal quarterly basis. Any indebtedness outstanding under the revolving credit facility may become immediately due and payable upon the occurrence of stated events of default, including our failure to pay principal, interest or fees or a violation of any financial covenant. The financial covenants require us to maintain an adjusted consolidated EBITDA to consolidated interest expense ratio of more than 2.5:1.0 and to comply with a consolidated debt to adjusted consolidated EBITDA ratio of not more than 3.0:1.0. The non-financial covenant restrictions of the senior credit agreement include, but are not limited to, our ability to incur additional indebtedness, engage in acquisitions or dispositions, and enter into business combinations. At July 3, 2021 and currently, we are in compliance with the covenants of our credit agreement.

Forgivable Loans

In order to attract and retain highly skilled professionals, we may issue forgivable loans or term loans to employees and non-employee experts. A portion of these loans is collateralized by key person life insurance. The forgivable loans have terms that are generally between one and eight years. The principal amount of forgivable loans and accrued interest is forgiven by us over the term of the loans, so long as the employee or non-employee expert continues employment or affiliation with us and complies with certain contractual requirements. The expense associated with the forgiveness of the principal amount of the loans is recorded as compensation expense over the service period, which is consistent with the term of the loans.

Compensation Arrangements

We have entered into compensation arrangements for the payment of performance awards to certain of our employees and non-employee experts that are payable if specific performance targets are met. The financial targets may include a measure of revenue generation, profitability, or both. The amounts of the awards to be paid under these compensation arrangements could fluctuate depending on future performance during the applicable measurement periods. Increases in estimated awards are expensed prospectively over the remaining service period. Decreases in estimated awards are recorded in the period incurred We believe that we will have sufficient funds to satisfy any obligations related to the performance awards. We expect to fund any cash payments from existing cash resources, cash generated from operations, or borrowings on our revolving credit facility.

Our Amended and Restated 2006 Equity Incentive Plan, as amended (the "2006 Equity Plan"), authorizes the grant of a variety of incentive and performance equity awards to our directors, employees and non-employee experts, including stock options, shares of restricted stock, restricted stock units, and other equity awards.

In 2009, the compensation committee of our Board of Directors adopted our long-term incentive program, or "LTIP," as a framework for equity grants made under our 2006 equity incentive plan to our senior corporate leaders, practice leaders, and key revenue generators. The equity awards granted under the LTIP include stock options, time-vesting restricted stock units, and performance-vesting restricted stock units.

In December 2016, our compensation committee modified the long-term incentive program, or "LTIP," to allow grants of service- and performance-based cash awards in lieu of, or in addition to, equity awards to our senior corporate leaders, practice leaders, and key revenue generators. The compensation committee of our Board of Directors is responsible for approving all cash and equity awards under the LTIP. We expect to fund any cash payments from existing cash resources, cash generated from operations, or borrowings on our revolving credit facility.

Business and Talent Acquisitions

As part of our business, we regularly evaluate opportunities to acquire other consulting firms, practices or groups, or other businesses. In recent years, we have typically paid for acquisitions with cash, or a combination of cash and our common stock, and we may continue to do so in the future. To pay for an acquisition, we may use cash on hand, cash generated from our operations, borrowings under our revolving credit facility, or we may pursue other forms of financing. Our ability to secure short-term and long-term debt or equity financing in the future, including our ability to refinance our credit agreement, will depend on several factors, including our future profitability, the levels of our debt and equity, restrictions under our existing revolving credit facility, and the overall credit and equity market environments.

Share Repurchases

In February 2021, our Board of Directors authorized an expansion of our existing share repurchase program, authorizing the purchase of an additional $40.0 million of our common stock. We may repurchase shares under this program in open market purchases (including through any Rule 10b5-1 plan adopted by us) or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations.

During the fiscal quarter ended July 3, 2021, we did not repurchase any shares under this share repurchase program. Refer to the section titled "Self-Tender Offer" below for discussion of shares repurchased under our modified "Dutch auction" self-tender offer. For the fiscal year-to-date period ended July 3, 2021, we repurchased and retired 166,552 shares under our share repurchase program at an average price per share of $57.93. During the fiscal quarter ended June 27, 2020, we did not repurchase any shares under our share repurchase program. During the fiscal year-to-date period ended June 27, 2020, we repurchased and retired 82,613 shares under our share repurchase program at an average price per share of $46.15. As of July 3, 2021, we had approximately $40.5 million available for future repurchases under our share repurchase program. We plan to finance future repurchases with available cash, cash from future operations, and funds from our revolving credit facility. We expect to continue to repurchase shares under our share repurchase program.

Self-Tender Offer

On March 8, 2021, we commenced a modified "Dutch auction" self-tender offer to purchase up to $25.0 million in value of shares of our common stock at a price of not less than $66.25 per share nor greater than $76.00 per share. The self-tender offer expired on April 5, 2021. On April 8, 2021, we paid $25.3 million, including transaction costs, to repurchase 337,837 shares at a purchase price of $74.00 per share. The purchase price and transaction costs were funded from the revolving credit facility and cash on hand. The repurchased shares were retired.

Dividends to Shareholders

We anticipate paying regular quarterly dividends each year. These dividends are anticipated to be funded through cash flow from operations, available cash on hand, and/or borrowings under our revolving credit facility. Although we anticipate paying regular quarterly dividends on our common stock for the foreseeable future, the declaration, timing and amounts of any such dividends remain subject to the discretion of our Board of Directors. During the fiscal quarter and fiscal year-to-date period ended July 3, 2021, we paid dividends and dividend equivalents of $1.9 million and $4.0 million, respectively. During the fiscal quarter and fiscal year-to-date period ended June 27, 2020, we paid dividends and dividend equivalents of $1.8 million and $3.6 million, respectively.

Impact of Inflation

To date, inflation has not had a material impact on our financial results. There can be no assurance, however, that inflation will not adversely affect our financial results in the future.

Future Capital and Liquidity Needs

We anticipate that our future capital and liquidity needs will principally consist of funds required for:

- operating and general corporate expenses relating to the operation of our business, including the compensation of our employees under various annual bonus or long-term incentive compensation programs;

- the hiring of individuals to replenish and expand our employee base;
- capital expenditures, primarily for information technology equipment, office furniture and leasehold improvements;
- debt service and repayments, including interest payments on borrowings under our revolving credit facility;
- share repurchases, under programs that we may have in effect from time to time;
- dividends to shareholders;
- potential acquisitions of businesses that would allow us to diversify or expand our service offerings;
- potential contingent obligations related to our acquisitions; and
- other known future contractual obligations.

The hiring of individuals to replenish and expand our employee base is an essential part of our business operations and has historically been funded principally from operations. Many of the other above activities are discretionary in nature. For example, capital expenditures can be deferred, acquisitions can be forgone, and share repurchase programs and regular dividends can be suspended. As such, our operating model provides flexibility with respect to the deployment of cash flow from operations. Given this flexibility, we believe that our cash flows from operations, supplemented by cash on hand and borrowings under our revolving credit facility (as necessary), will provide adequate cash to fund our long-term cash needs from normal operations for at least the next twelve months.

Our conclusion that we will be able to fund our cash requirements by using existing capital resources and cash generated from operations does not take into account the impact of any future acquisition transactions or any unexpected significant changes in the number of employees or other expenditures that are currently not contemplated. The anticipated cash needs of our business could change significantly if we pursue and complete additional business acquisitions, if our business plans change, if economic conditions change from those currently prevailing or from those now anticipated, or if other unexpected circumstances arise that have a material effect on the cash flow or profitability of our business. Any of these events or circumstances, including any new business opportunities, could involve significant additional funding needs in excess of the identified currently available sources and could require us to raise additional debt or equity funding to meet those needs on terms that may be less favorable compared to our current sources of capital. Our ability to raise additional capital over the next twelve months, if necessary, is subject to a variety of factors that we cannot predict with certainty, including:

- our future profitability;
- the quality of our accounts receivable;
- our relative levels of debt and equity;
- the volatility and overall condition of the capital markets; and
- the market prices of our securities.

Factors Affecting Future Performance

Important factors that could cause our actual results to differ materially from the forward-looking statements we make in this Quarterly Report on Form 10-Q, as well as a description of material risks we face, are set forth below under the heading “Risk Factors” and included in Part I, Item 1A, “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended January 2, 2021, filed with the Securities and Exchange Commission on March 4, 2021. If any of these risks, or any risks not presently known to us or that we currently believe are not significant, develops into an actual event, then our business, financial condition, and results of operations could be adversely affected.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

For information regarding our exposure to certain market risks see Part II, Item 7A, "Quantitative and Qualitative Disclosures about Market Risk,” of our Annual Report on Form 10-K for the fiscal year ended January 2, 2021, filed with the Securities and Exchange Commission on March 4, 2021.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. This is done in order to ensure that information we are required to disclose in the reports that are filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Based upon that evaluation, our President and Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of July 3, 2021.

Management has concluded that the condensed consolidated financial statements included in this quarterly report on Form 10-Q present fairly, in all material aspects, our financial position at the end of, and the results of operations and cash flows for, the periods presented in conformity with accounting principles generally accepted in the United States.

Evaluation of Changes in Internal Control over Financial Reporting

Under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Financial Officer, we evaluated whether there were any changes in our internal control over financial reporting during the second quarter of fiscal 2021. There were no changes in our internal control over financial reporting identified in connection with the above evaluation that occurred during the second quarter of fiscal 2021 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

Important Considerations

The effectiveness of our disclosure controls and procedures and our internal control over financial reporting is subject to various inherent limitations, including judgments used in decision making, assumptions about the likelihood of future events, the soundness of our systems, the possibility of human error, and the risk of fraud. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions and the risk that the degree of compliance with policies or procedures may deteriorate over time. Because of these limitations, there can be no assurance that any system of disclosure controls and procedures or internal control over financial reporting will be successful in preventing all errors or fraud or in making all material information known in a timely manner to the appropriate levels of management.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

None.

ITEM 1A. Risk Factors

There are many risks and uncertainties that can affect our future business, financial performance or results of operations. In addition to the other information set forth in this report, please review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended January 2, 2021, filed with the Securities and Exchange Commission on March 4, 2021. There have been no material changes to these risk factors during the quarter ended July 3, 2021.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Not applicable.

(b) Not applicable.

(c) The following provides information about our repurchases of shares of our common stock during the fiscal quarter ended July 3, 2021. During that period, we did not act in concert with any affiliate or any other person to acquire any of our common stock and, accordingly, we do not believe that purchases by any such affiliate or other person (if any) are reportable in the following table. For purposes of this table, we have divided the fiscal quarter into three periods of four weeks, four weeks, and five weeks, respectively, to coincide with our reporting periods during the second quarter of fiscal 2021.

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares Purchased (1)	(b) Average Price Paid per Share (1)	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (2)
April 4, 2021 to May 1, 2021	337,837	$ 74.00	337,837	$ 40,484,285
May 2, 2021 to May 29, 2021	—	$ —	—	$ 40,484,285
May 30, 2021 to July 3, 2021	—	$ —	—	$ 40,484,285

(1) On March 8, 2021, we commenced a modified "Dutch auction" self-tender offer to purchase up to $25.0 million in value of shares of our common stock at a price of not less than $66.25 per share nor greater than $76.00 per share. The self-tender offer expired on April 5, 2021. On April 8, 2021, we paid $25.3 million, including transaction costs, to repurchase 337,837 shares at a purchase price of $74.00 per share. The purchase price and transaction costs were funded from the revolving credit facility and cash on hand. The repurchased shares were retired.

(2) On February 4, 2021 our Board of Directors authorized an expansion to our existing share repurchase program of an additional $40.0 million of outstanding shares of our common stock. We may repurchase shares under this program in open market purchases (including through any Rule 10b5-1 plan adopted by us) or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations. During the fiscal quarter ended July 3, 2021, we did not repurchase any shares under this share repurchase program. Approximately $40.5 million was available for future repurchases under this program as of July 3, 2021. We expect to continue to repurchase shares under this program.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

None.

ITEM 5. Other Information

None.

ITEM 6. EXHIBIT INDEX

Item No.	Description
3.1	Amended and Restated Articles of Organization, as amended by the Articles of Amendment to our Articles of Organization filed on May 6, 2005 (incorporated by reference to Exhibit 3.1 to our annual report on Form 10-K filed on February 27, 2020).
3.2	Amended and Restated By-Laws, as amended (incorporated by reference to Exhibit 3.2 to our current report on Form 8-K filed on January 31, 2011).
31.1	Certification of Principal Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements from CRA International, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2021, formatted in Inline XBRL (eXtensible Business Reporting Language), as follows: (i) Condensed Consolidated Statements of Operations (unaudited) for the fiscal quarters and fiscal year-to-date periods ended July 3, 2021 and June 27, 2020, (ii) Condensed Consolidated Statements of Comprehensive Income (unaudited) for the fiscal quarters and fiscal year-to-date periods ended July 3, 2021 and June 27, 2020, (iii) Condensed Consolidated Balance Sheets (unaudited) at July 3, 2021 and January 2, 2021, (iv) Condensed Consolidated Statements of Cash Flows (unaudited) for the fiscal year-to-date periods ended July 3, 2021 and June 27, 2020, (v) Condensed Consolidated Statement of Shareholders' Equity (unaudited) for the fiscal year-to-date periods ended July 3, 2021 and June 27, 2020, and (vi) Notes to Condensed Consolidated Financial Statements (Unaudited).
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

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.

CRA INTERNATIONAL, INC.

Date: August 5, 2021	By:	/s/ PAUL A. MALEH
		Paul A. Maleh
		President and Chief Executive Officer
Date: August 5, 2021	By:	/s/ DANIEL K. MAHONEY
		Daniel K. Mahoney
		Chief Financial Officer, Executive Vice President and Treasurer

Exhibit 31.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul A. Maleh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CRA International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect adversely the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2021

By: /s/ PAUL A. MALEH
Paul A. Maleh
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Daniel K. Mahoney, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CRA International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect adversely the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2021

By: /s/ DANIEL K. MAHONEY
Daniel K. Mahoney
Chief Financial Officer, Executive Vice President and Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CRA International, Inc. (the "Company") on Form 10-Q for the quarter ended July 3, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned President and Chief Executive Officer of the Company, certifies, to the best knowledge and belief of the signatory, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ PAUL A. MALEH
Paul A. Maleh
President and Chief Executive Officer
Date: August 5, 2021

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CRA International, Inc. (the “Company”) on Form 10-Q for the quarter ended July 3, 2021, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned Chief Financial Officer, Executive Vice President and Treasurer of the Company, certifies, to the best knowledge and belief of the signatory, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ DANIEL K. MAHONEY

Daniel K. Mahoney
Chief Financial Officer, Executive Vice President and Treasurer
Date: August 5, 2021