UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13
OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 2003
Commission File No. 0-21886

BARRETT BUSINESS SERVICES, INC.
(Exact name of registrant as specified in its charter)

Maryland	52-0812977
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
4724 SW Macadam Avenue Portland, Oregon	97239
(Address of principal executive offices)	(Zip Code)

(503) 220-0988
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X]   No [   ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

Number of shares of common stock, $.01 par value, outstanding at July 31, 2003 was 5,643,180 shares.

BARRETT BUSINESS SERVICES, INC.

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Part I - Financial Information

Item 1. Financial Statements

BARRETT BUSINESS SERVICES, INC.
Balance Sheets
(Unaudited)
(In thousands, except per share amounts)

<TABLE>
<CAPTION>

	June 30, 2003	December 31, 2002
ASSETS		
Current assets:		
<S>	<C>	<C>
Cash and cash equivalents	$ 1,977	$ 96
Income taxes receivable	-	1,923
Trade accounts receivable, net	14,827	11,357
Prepaid expenses and other	1,893	1,040
Deferred income taxes	1,839	2,111
Total current assets	20,536	16,527
Goodwill, net	18,749	18,749
Intangibles, net	35	59
Property and equipment, net	3,611	5,167
Restricted marketable securities and workers' compensation deposits	4,142	4,286
Deferred income taxes	1,445	1,445
Other assets	937	1,064
	$ 49,455	$ 47,297
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 88	$ 434
Line of credit	4,056	3,513
Accounts payable	712	834
Accrued payroll, payroll taxes and related benefits	8,229	4,897
Workers' compensation claims liabilities	1,783	3,903
Safety incentives payable	439	406
Other accrued liabilities	587	305
Current portion of deferred gain on sale and leaseback	122	-
Total current liabilities	16,016	14,292
Long-term debt, net of current portion	400	488
Customer deposits	441	443
Long-term workers' compensation claims liabilities	2,481	2,492
Other long-term liabilities	673	797
Long-term deferred gain on sale and leaseback	1,097	-
Commitments and contingencies	-	-
Stockholders' equity:		
Common stock, $.01 par value; 20,500 shares authorized, 5,671 and 5,751 shares issued and outstanding	57	57
Additional paid-in capital	2,882	3,144
Employee loan	(107)	(107)
Retained earnings	25,515	25,691
	28,347	28,785
	$ 49,455	$ 47,297

</TABLE>

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

BARRETT BUSINESS SERVICES, INC.
Statements of Operations
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002
Revenues:		
Staffing services	$23,046	$24,684
Professional employer service fees	4,856	3,082
	27,902	27,766
Cost of revenues:		
Direct payroll costs	17,079	18,175
Payroll taxes and benefits	4,385	3,520
Workers' compensation	1,982	1,719
	23,446	23,414
Gross margin	4,456	4,352
Selling, general and administrative expenses	3,869	4,072
Depreciation and amortization	271	288
Income (loss) from operations	316	(8)
Other (expense) income:		
Interest expense	(83)	(51)
Interest income	15	61
Other, net	-	(1)
	(68)	9
Income before provision for income taxes	248	1
Provision for income taxes	81	-
Net income	$ 167	$ 1
Basic income per share	$ .03	$ -
Weighted average number of basic shares outstanding	5,708	5,806
Diluted income per share	$ .03	$ -
Weighted average number of diluted shares outstanding	5,726	5,826

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

BARRETT BUSINESS SERVICES, INC.
Statements of Operations
(Unaudited)
(In thousands, except per share amounts)

	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002
Revenues:		
Staffing services	$ 43,156	$ 47,254
Professional employer services	8,143	6,250

	51,299	53,504
Cost of revenues:		
Direct payroll costs	31,877	34,809
Payroll taxes and benefits	8,190	7,212
Workers' compensation	3,407	3,344
	43,474	45,365
Gross margin	7,825	8,139
Selling, general and administrative expenses	7,465	8,271
Depreciation and amortization	551	600
Loss from operations	(191)	(732)
Other income (expense) :		
Interest expense	(178)	(97)
Interest income	56	123
Other, net	48	(6)
	(74)	20
Loss before benefit from income taxes	(265)	(712)
Benefit from income taxes	(89)	(296)
Net loss	$ (176)	$ (416)
Basic loss per share	$ (.03)	$ (.07)
Weighted average number of basic shares outstanding	5,728	5,814
Diluted loss per share	$ (.03)	$ (.07)
Weighted average number of diluted shares outstanding	5,728	5,814

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

BARRETT BUSINESS SERVICES, INC.
Statements of Cash Flows
(Unaudited)
(In thousands)

<TABLE>
<CAPTION>

	Six Months Ended June 30,	
	2003	2002
Cash flows from operating activities:		
<S>	<C>	<C>
Net loss	$ (176)	$ (416)
Reconciliations of net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	551	600
Gain on sales of marketable securities	(48)	-
Deferred income taxes	272	190
Changes in certain assets and liabilities:		
Income taxes receivable	1,923	-
Trade accounts receivable, net	(3,470)	486
Prepaid expenses and other	(853)	(325)
Accounts payable	(122)	160
Accrued payroll, payroll taxes and related benefits	3,332	816

Other accrued liabilities	282	322
Workers' compensation claims liabilities	(2,131)	(1,958)
Safety incentives payable	33	64
Customer deposits and other assets, net	125	10
Other long-term liabilities	(124)	(82)
Net cash used in operating activities	(406)	(133)
Cash flows from investing activities:		
Proceeds from sale and leaseback of buildings	2,338	-
Purchase of equipment	(90)	(53)
Proceeds from maturities of marketable securities	3,389	1,798
Proceeds from sales of marketable securities	2,272	-
Purchase of marketable securities	(5,469)	(1,459)
Net cash provided by investing activities	2,440	286
Cash flows from financing activities:		
Proceeds from credit-line borrowings	20,241	25,701
Payments on credit-line borrowings	(19,698)	(25,516)
Payments on long-term debt	(434)	(683)
Payment to shareholder	-	(28)
Loan to employee	-	(22)
Repurchase of common stock	(262)	(181)
Proceeds from exercise of stock options	-	14
Net cash used in financing activities	(153)	(715)
Net increase (decrease) in cash and cash equivalents	1,881	(562)
Cash and cash equivalents, beginning of period	96	1,142
Cash and cash equivalents, end of period	$ 1,977	$ 580

</TABLE>

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

BARRETT BUSINESS SERVICES, INC.
Notes to Financial Statements

Note 1 - Basis of Presentation of Interim Period Statements:

The accompanying financial statements are unaudited and have been prepared by Barrett Business Services, Inc. (the "Company") pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and note disclosures typically included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, the financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the results for the interim periods presented. The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from such estimates and assumptions. The financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's 2002 Annual Report on Form 10-K at pages F1 - F24. The results of operations for an interim period are not necessarily indicative of the results of operations for a full year. Certain prior year amounts have been reclassified to conform with the current year presentation. Such reclassifications had no impact on gross margin, net income or stockholders' equity.

Note 2 - Recent Accounting Pronouncements:

In April 2003, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standard No. 149 ("SFAS 149"), "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." SFAS 149 amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under SFAS 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS 149 is generally effective for contracts entered into or modified after June 30, 2003. Management believes that the adoption of this statement will not have a material impact on its results of operations or financial position.

In May 2003, the FASB issued SFAS 150, "Accounting for Certain Financial

Instruments with Characteristics of both Liabilities and Equity." SFAS 150 establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS 150 requires that an issuer classify a financial instrument that is within its scope as a liability if that financial instrument embodies an obligation to the issuer. SFAS 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003, except for mandatorily redeemable financial instruments of nonpublic entities. Management believes that the adoption of this statement will not have a material impact on its results of operations or financial position.

Note 3 - Basic and Diluted Earnings Per Share:

Basic earnings per share are computed based on the weighted average number of common shares outstanding during the period. Diluted earnings per share reflect the potential effects of the exercise of outstanding stock options. Basic and diluted shares outstanding are summarized as follows:

<TABLE>
<CAPTION>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Weighted average number of basic shares <S> outstanding	<C> 5,707,782	<C> 5,806,021	<C> 5,728,075	<C> 5,814,002
Stock option plan shares to be issued at prices ranging from $1.45 to $17.75 per share	553,439	248,365	-	-
Less: Assumed purchase at average market price during the period using proceeds received upon exercise of options and purchase of stock, and using tax benefits of compensation due to premature dispositions	(534,947)	(228,164)	-	-
Weighted average number of diluted shares outstanding	5,726,274	5,826,222	5,728,075	5,814,002

</TABLE>

As a result of the net loss reported for the six months ended June 30, 2003 and 2002, potential common shares of 16,332 and 21,778, respectively, have been excluded from the calculation of diluted loss per share because their effect would be anti-dilutive.

Note 4 - Stock Incentive Plans:

The Company's 2003 Stock Incentive Plan (the "Plan"), which was approved by shareholders on May 14, 2003, provides for stock-based awards to Company employees, directors and outside consultants or advisers. The number of shares of common stock reserved for issuance under the Plan is 400,000. New grants of incentive stock options could not be made after March 1, 2003 under the Company's 1993 Stock Incentive Plan. At March 10, 2003 there were option awards covering 520,095 shares outstanding under the 1993 Plan, which upon termination, unexercised, are carried over to the 2003 Plan as shares authorized to be issued under the 2003 Plan.

Note 4 - Stock Incentive Plans (Continued):

The following table summarizes options granted under the Plan in 2003:

	Number of Options	Grant Prices
Outstanding at December 31, 2002	520,195	$ 1.45 to $17.75
Options granted	152,000	$ 3.02 to $3.07
Options exercised	-	
Options canceled or expired	(28,816)	$ 3.50 to $7.06
Outstanding at June 30, 2003	643,379	$ 1.45 to $17.75
Exercisable at June 30, 2003	95,747	
Available for grant at June 30, 2003	276,716	

The options listed in the table generally become exercisable in four equal annual install-ments beginning one year after the date of grant.

Note 5 - Stock Option Compensation

The Company applies APB Opinion No. 25 and related interpretations in accounting for its stock incentive plan. Accordingly, no compensation expense has been recognized for its stock option grants issued at market price because the exercise price of the Company's employee stock options equals the market price of the underlying stock on the date of the grant.

If compensation expense for the Company's stock-based compensation plan had been determined based on the fair market value at the grant date for awards under the Plan consistent with the method of SFAS No. 123, the Company's net loss and loss per share would have been adjusted to the pro forma amounts indicated below:

<TABLE>
<CAPTION>

(in thousands, except per share amounts)	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002
<S>	<C>	<C>	<C>	<C>
Net income (loss), as reported	$ 167	$ 1	$ (176)	$ (416)
Add back compensation expense recognized under APB No. 25	-	-	-	-
Deduct: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	(40)	(42)	(78)	(84)
Net income (loss), pro forma	$ 127	$ (41)	$ (254)	$ (500)
Basic income (loss) per share, as reported	$ .03	$ -	$ (.03)	$ (.07)
Basic income (loss) per share, pro forma	.02	(.01)	(.04)	(.09)
Diluted income (loss) per share, as reported	.03	-	(.03)	(.07)
Diluted income (loss) per share, pro forma	.02	(.01)	(.04)	(.09)

</TABLE>

Note 5 - Stock Option Compensation (Continued)

The effects of applying SFAS No. 123 for providing pro forma disclosures for the periods presented above are not likely to be representative of the effects on reported net income for future periods because options vest over several years and additional awards generally are made each year.

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

Results of Operations

The following table sets forth the percentages of total revenues represented by selected items in the Company's Statements of Operations for the three and six months ended June 30, 2003 and 2002.

<TABLE>
<CAPTION>

	Percentage of Total Revenues			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Revenues:				
<S>	<C>	<C>	<C>	<C>
Staffing services	82.6 %	88.9 %	84.1 %	88.3 %
Professional employer service fees	17.4	11.1	15.9	11.7
	100.0	100.0	100.0	100.0
Cost of revenues:				
Direct payroll costs	61.2	65.4	62.1	65.0
Payroll taxes and benefits	15.7	12.7	16.0	13.5
Workers' compensation	7.1	6.2	6.6	6.3
Total cost of revenues	84.0	84.3	84.7	84.8
Gross margin	16.0	15.7	15.3	15.2
Selling, general and administrative expenses	13.9	14.7	14.6	15.4
Depreciation and amortization	1.0	1.0	1.1	1.1
Income (loss) from operations	1.1	0.0	(0.4)	(1.3)
Other (loss) income	(0.2)	-	(0.1)	-
Pretax income (loss)	0.9	0.0	(0.5)	(1.3)
Provision for (benefit from) income taxes	0.3	-	(0.2)	(0.5)

Net income (loss)	0.6 %	0.0 %	(0.3)%	(0.8)%

</TABLE>

The Company changed its reporting of PEO revenues from a gross basis to a net basis in 2002 because it was determined that the Company was not the primary obligor for the services provided by employees pursuant to its PEO contracts with its customers. Gross revenue information, although not in accordance with GAAP, is presented below because

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Results of Operations (Continued)

management believes such information is more informative as to the level of the Company's business activity and more useful in managing its operations.

<TABLE>
<CAPTION>

(in thousands)	Unaudited Three Months Ended June 30, 2003	2002	Unaudited Six Months Ended June 30, 2003	2002
Revenues:				
<S>	<C>	<C>	<C>	<C>
Staffing services	$ 23,046	$ 24,684	$ 43,156	$ 47,254
Professional employer services	28,342	18,164	48,881	36,559
Total revenues	51,388	42,848	92,037	83,813
Cost of revenues:				
Direct payroll costs	40,565	33,257	72,615	65,118
Payroll taxes and benefits	4,385	3,520	8,190	7,212
Workers' compensation	1,982	1,719	3,407	3,344
Total cost of revenues	46,932	38,496	84,212	75,674
Gross margin	$ 4,456	$ 4,352	$ 7,825	$ 8,139

</TABLE>

A reconciliation of non-GAAP gross PEO revenues to net PEO revenues is as follows:

For the three months ended June 30 (unaudited, in thousands):

<TABLE>
<CAPTION>

	Gross Revenue Reporting Method 2003	2002	Reclassification 2003	2002	Net Revenue Reporting Method 2003	2002
Revenues:						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Staffing services	$ 23,046	$ 24,684	$ -	$ -	$ 23,046	$ 24,684
Professional employer services	28,342	18,164	(23,486)	(15,082)	4,856	3,082
Total revenues	$ 51,388	$ 42,848	$ (23,486)	$ (15,082)	$ 27,902	$ 27,766
Cost of revenues:						
Direct payroll costs	$ 40,565	$ 33,257	$ (23,486)	$ (15,082)	$ 17,079	$ 18,175

</TABLE>

Results of Operations (Continued)

For the six months ended June 30 (unaudited, in thousands):

<TABLE>
<CAPTION>

	Gross Revenue Reporting Method		Reclassification		Net Revenue Reporting Method	
	2003	2002	2003	2002	2003	2002
Revenues:						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Staffing services	$ 43,156	$ 47,254	$ -	$ -	$ 43,156	$ 47,254
Professional employer services	48,881	36,559	(40,738)	(30,309)	8,143	6,250
Total revenues	$ 92,037	$ 83,813	$ (40,738)	$ (30,309)	$ 51,299	$ 53,504
Cost of revenues:						
Direct payroll costs	$ 72,615	$ 65,118	$ (40,738)	$ (30,309)	$ 31,877	$ 34,809

</TABLE>

Three months ended June 30, 2003 and 2002

Net income for the second quarter of 2003 was $167,000, an improvement of $166,000 over net income of $1,000 for the second quarter of 2002. The improvement for the second quarter of 2003 was primarily due to lower selling, general and administrative expenses, combined with an improvement in gross margin dollars and percent. Basic and diluted income per share for the second quarter of 2003 was $.03.

Revenues for the second quarter of 2003 totaled $27.9 million, an increase of approximately $136,000 or 0.5% over the second quarter of 2002. The increase in revenues primarily reflects the growth in the Company's professional employer ("PEO") service fee revenue, partially offset by a decline in staffing services revenue.

PEO service fee revenue increased approximately $1.8 million or 57.6% primarily due to strong growth in California attributable to the conditions of the workers' compensation insurance market and the opportunities available to the Company as a qualified self-insured employer for workers' compensation coverage. Staffing services revenue decreased approximately $1.6 million or 6.6% primarily due to continued soft demand for such services in the majority of areas in which the Company operates. Management expects growth in demand for its PEO services to continue in the foreseeable future.

Gross margin for the second quarter of 2003 totaled approximately $4.5 million, which represented an increase of $104,000 or 2.4% over the second quarter of 2002 primarily due to the 0.5% increase in revenues. The gross margin percent increased from 15.7% of revenues for the second quarter of 2002 to 16.0% for the second quarter of 2003. The increase in the gross margin percentage was due to lower direct payroll costs, offset in part by higher payroll taxes and benefits and higher workers' compensation expense. The decline in direct payroll costs, as a percentage of revenues, for the second quarter of 2003 simply reflects the current

Results of Operations (Continued)

Three months ended June 30, 2003 and 2002 (Continued)

mix of services to the Company's customer base and the effect of their unique mark-up percent. The increase in payroll taxes and benefits, as a percentage of revenues, for the second quarter of 2003 was due in part to higher statutory state unemployment tax rates in various states in which the Company operates as compared to the second quarter of 2002, as well as to the net effect of disproportionate growth in PEO services.

Workers' compensation expense for the second quarter of 2003 totaled $2.0 million, which compares to $1.7 million for the second quarter of 2002. The increase in workers' compensation expense was generally due to an increased provision for the future estimated costs of claims.

Selling, general and administrative ("SG&A") expenses for the 2003 second quarter amounted to approximately $3.9 million, a decrease of $203,000 or 5.0% from the comparable period in 2002. The decrease from 2002 was primarily attributable to reductions in branch office management personnel and related expenses.

Other expense totaled $68,000 for the second quarter of 2003, which compares to $9,000 of other income for the second quarter of 2002. The increase in other expense was primarily attributable to an increase in interest expense due to higher debt levels and loan fees, as well as to a decline in interest income resulting from lower interest yields on the Company's investments during the 2003 second quarter.

The Company has historically experienced significant fluctuations in its quarterly operating results and expects such fluctuations to continue in the future. The Company's operating results may fluctuate due to a number of factors such as seasonality, wage limits on payroll taxes, claims experience for workers' compensation and demand and competition for the Company's services. The Company's revenue levels fluctuate from quarter to quarter primarily due to the impact of seasonality on its staffing services business and on certain of its PEO clients in the agriculture and forest products-related industries. As a result, the Company may have greater revenues and net income in the third and fourth quarters of its fiscal year. Payroll taxes and benefits fluctuate with the level of direct payroll costs, but tend to represent a smaller percentage of revenues and direct payroll later in the Company's fiscal year as federal and state statutory wage limits for unemployment and social security taxes are exceeded by some employees. Workers' compensation expense varies with both the frequency and severity of workplace injury claims reported during a quarter, as well as adverse loss development of prior period claims during a subsequent quarter.

Six months ended June 30, 2003 and 2002

Net loss for the six months ended June 30, 2003 was $176,000, an improvement of $240,000 from a net loss of $416,000 for the first six months of 2002. The improvement for the six-month period of 2003 was primarily due to lower SG&A expenses, offset in part by a decline

in gross margin dollars. Basic and diluted loss per share for the first six months of 2003 were $.03 as compared to basic and diluted loss per share of $.07 for the comparable 2002 period.

Revenues for the six months ended June 30, 2003 totaled approximately $51.3 million, a decrease of approximately $2.2 million or 4.1% from the first six months of 2002. The decrease in revenues primarily reflects continued weak business activity for staffing services in the Company's market areas, offset in part by growth in the second quarter of 2003 of the Company's PEO service fee revenues. Staffing services revenue decreased approximately $4.1 million or 8.7% primarily due to a decline in demand for such services owing to soft economic conditions in the majority of areas in which the Company operates. PEO service fee revenue, however, increased approximately $1.9 million or 30.3% primarily due to strong growth in California owing to market conditions for workers' compensation insurance.

Gross margin for the six months ended June 30, 2003 totaled approximately $7.8 million, which represented a decrease of $314,000 or 3.6% from the similar period of 2002 primarily due to the 4.1% decline in revenues. The decline in direct payroll costs, as a percentage of revenues, for the six-month period of 2003, simply reflects the current mix of services to the Company's customer base and the effect of their unique mark-up percent. The increase in payroll taxes and benefits, as a percentage of revenues, for the six-month period of 2003, was principally due to higher statutory state unemployment tax rates in various states in which the Company operates as compared to the same period of 2002 and to the net effect of disproportionate growth in PEO services. Workers' compensation expense for the six months ended June 30, 2003 totaled $3.4 million, which was relatively comparable to $3.3 million for the same period of 2002.

SG&A expenses for the six months ended June 30, 2003 amounted to approximately $7.5 million, a decrease of $806,000 or 9.7% from the comparable period in 2002. The decrease in expense from 2002 was primarily attributable to reductions in branch office management personnel and related expenses.

Depreciation and amortization totaled $551,000 or 1.1% of revenues for the six months ended June 30, 2003, as compared to $600,000 or 1.1% of revenues for the same period in 2002. The depreciation and amortization expense level remained comparable to 2002 amounts due to the Company's current low level of capital expenditures.

Other expense totaled $74,000 for the six-month period ended June 30, 2003, which compares to $20,000 of other income for the comparable 2002 period. The increase in expense was primarily due to an increase in interest expense attributable to higher debt levels and loan fees during the 2003 period as well as to a decline in interest income as a result of lower interest yields on the Company's investments during the 2003 period.

Liquidity and Capital Resources

The Company's cash position of $1,977,000 at June 30, 2003 increased by $1,881,000 from December 31, 2002, which compares to a decrease of $562,000 for the comparable period in 2002. The increase in cash at June 30, 2003, as compared to June 30, 2002, was primarily generated from proceeds of a sale and leaseback of two office buildings, the receipt of the Company's income tax refund and an increase in accrued payroll, payroll taxes and related benefits, offset in part by payments on workers' compensation claims liabilities and an increase in trade accounts receivable.

Net cash used in operating activities for the six months ended June 30, 2003 amounted to $406,000, as compared to $133,000 of net cash used in operating activities for the comparable 2002 period. For the six months ended June 30, 2003, cash flow was used for payments on workers' compensation claims of $2,131,000 coupled with an increase of $3,470,000 in trade accounts receivable, offset in part by a $1,923,000 decrease in income taxes receivable as a result of the receipt of the 2002 federal income tax refund and an increase in accrued payroll and related benefits of $3,332,000.

Net cash provided by investing activities totaled $2,440,000 for the six months ended June 30, 2003, as compared to $286,000 net cash provided by investing activities for the similar 2002 period. For the 2003 period, the principal source of cash provided by investing activities was from $2,338,000 of proceeds from the sale and leaseback of two office buildings owned by the Company and from net proceeds totaling $5,661,000 from maturities and sales of marketable securities, offset in part by $5,469,000 of net purchases of marketable securities. The Company presently has no material long-term capital commitments.

Net cash used in financing activities for the six-month period ended June 30, 2003, was $153,000, compared to $715,000 net cash used in financing activities for the similar 2002 period. For the 2003 period, the principal use of cash for financing activities was for $434,000 of payments made on long-term debt and $262,000 used to repurchase the Company's common stock, offset in part by $543,000 of net borrowings made on the Company's revolving credit line.

The Company's business strategy continues to focus on growth through the expansion of operations at existing offices, together with the selective acquisition of additional personnel-related businesses, both in its existing markets and other strategic geographic markets. The Company periodically evaluates proposals for various acquisition opportunities, but there can be no assurance that any additional transactions will be consummated.

The Company entered into a second amendment to the Amended and Restated Credit Agreement (the "Agreement") with its principal bank effective April 30, 2003. The Agreement provides for a revolving credit facility of up to $8.0 million, which includes a subfeature under the line of credit for standby letters of credit for not more than $5.0 million and a term loan in the original amount of $693,750 bearing interest at an annual rate of 7.4%, as to which the outstanding principal balance was paid in full as of June 30, 2003.

Liquidity and Capital Resources (Continued)

Under the terms of the Agreement, the Company's total outstanding borrowings, to a maximum of $8.0 million, may not at any time exceed an aggregate of (i) 85% of the Company's eligible billed accounts receivable, plus (ii) 65% of the Company's eligible unbilled accounts receivable (not to exceed $1.5 million), plus (iii) only to June 30, 2003, 75% of the appraised value of the Company's real property collateral granted to the bank, minus the amount outstanding under the term loan. Advances bear interest at an annual rate of prime rate plus two percent. The Agreement expires March 31, 2004.

Effective May 22, 2003, the Company entered into a third amendment to the Agreement temporarily increasing the total amount available under the revolving credit facility until July 31, 2003 to accommodate a possible delay in the closing of the Company's pending sale and leaseback transaction.

Effective July 22, 2003, the Company entered into a fourth amendment to the Agreement with its principal bank, whereby the bank agreed to allow the Company to invest in equity securities of publicly-traded companies believed to offer strategic value or benefit to the Company, in amounts not to exceed an aggregate of $200,000 plus any investment gains (net of any losses) thereon.

The revolving credit facility is collateralized by the Company's assets, including, without limitation, its accounts receivable, equipment, intellectual property, real property and bank deposits, and may be prepaid at any time without penalty. Pursuant to the Agreement, as amended, the Company is required to maintain compliance with the following financial covenants: (1) a Current Ratio not less than 1.10 to 1.0 through June 29, 2003, and not less than 1.15 to 1.0 from and after June 30, 2003, with "Current Ratio" defined as total current assets divided by total current liabilities: (2) EBITDA not less than negative $700,000 as of the quarter ended March 31, 2003, not less than negative $350,000 as of the quarter ended June 30, 2003, not less than $250,000 as of the quarter ending September 30, 2003, and not less than $1,500,000 as of the quarter ending December 31, 2003 and thereafter, measured on a trailing four-quarter basis, with "EBITDA" defined as net profit before taxes, interest expense (net of capitalized interest expense), depreciation expense and amortization expense; (3) Funded Debt to EBITDA Ratio not more than 4.0 to 1.0 as of September 30, 2003 and not more than 2.25 to 1.0 as of December 31, 2003 and thereafter, with "Funded Debt" defined as all borrowed funds plus the amount of all capitalized lease obligations of the Company and "Funded Debt to EBITDA Ratio" defined as Funded Debt divided by EBITDA; and (4) EBITDA Coverage Ratio not less than 1.0 to 1.0 as of September 30, 2003 and not less than 1.75 to 1.0 as of December 31, 2003, with "EBITDA Coverage Ratio" defined as EBITDA divided by the aggregate of total interest expense plus the prior period current maturity of long-term debt and the prior period current maturity of subordinated debt. As of June 30, 2003, the Company had approximately $2.0 million available under its credit facility and was in compliance with all loan covenants.

Effective June 30, 2003, the Company completed a sale and leaseback transaction involving two office buildings owned by the Company. The sale and leaseback transaction provided net cash proceeds of approximately $2.0 million (after the June 30, 2003 payment of the outstanding mortgage balance). The net proceeds from the transaction were applied to the outstanding balance on the Company's credit facility, effective July 1, 2003.

Subsequent to quarter end, in mid-July 2003, the state of California's Department of Self-Insurance Plans released for cancellation the Company's $4.0 million letter of credit, which served as its security deposit for the Company's self-insured workers' compensation program. As a participant in the State's new alternative security program, the Company paid to the State an annual fee of approximately $234,000, which was determined by several factors, including the amount of a future security deposit and the Company's overall credit rating.

Management expects that the funds anticipated from operations, together with available credit under the Agreement and other potential sources of financing, will be sufficient in the aggregate to fund the Company's working capital needs for the foreseeable future.

In February 1999, the Company's board of directors authorized a stock repurchase program to repurchase common shares from time to time in open market purchases. Since inception, the board of directors has approved seven increases in the total number of shares or dollars authorized to be repurchased under the program. As of August 6, 2003, the repurchase program had remaining authorized availability of $459,000 for the repurchase of additional shares. During the first six months of 2003, the Company repurchased 80,500 shares at an aggregate price of $262,300. Since the inception of the repurchase program through August 6, 2003, the Company has repurchased 2,050,755 shares for an aggregate price of

$9,172,000. Management anticipates that the capital necessary to continue this program will be provided by existing cash balances and other available resources.

Inflation

Inflation generally has not been a significant factor in the Company's operations during the periods discussed above. The Company has taken into account the impact of escalating medical and other costs in establishing reserves for future expenses for self-insured workers' compensation claims.

Forward-Looking Information

Statements in this report which are not historical in nature, including discussion of economic conditions in the Company's market areas and effect on revenue growth, the potential for and effect of recent and future acquisitions, the effect of changes in the Company's mix of services on gross margin, the Company's sources of working capital and expected use of credit, including its ability to pay the balance on its line of credit, the adequacy of the Company's workers' compensation reserves and allowance for doubtful accounts, the effectiveness of the Company's management information systems and the availability of financing and working capital to meet the Company's funding requirements, are forward-looking statements within the

Forward-Looking Information (Continued)

meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company or industry to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors with respect to the Company include difficulties associated with integrating acquired businesses and clients into the Company's operations, economic trends in the Company's service areas, material deviations from expected future workers' compensation claims experience, the carrying values of deferred income tax assets and goodwill, which are subject to improvement in the Company's future operating results, the availability of capital or letters of credit necessary to meet state-mandated surety deposit requirements for maintaining the Company's status as a qualified self-insured employer for workers' compensation coverage, and the availability of and costs associated with potential sources of financing. The Company disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future events or developments.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's exposure to market risk for changes in interest rates primarily relates to the Company's short-term and long-term debt obligations. As of June 30, 2003, the Company had interest-bearing debt obligations of approximately $4.6 million, of which approximately $4.1 million bears interest at a variable rate and approximately $0.5 million at a fixed rate of interest. The variable rate debt is comprised of approximately $4.1 million outstanding under a secured revolving credit facility, which bears interest at the prime rate plus 2.0%. Based on the Company's overall interest exposure at June 30, 2003, a 10 percent change in market interest rates would not have a material effect on the fair value of the Company's long-term debt or its results of operations. As of June 30, 2003, the Company had not entered into any interest rate instruments to reduce its exposure to interest rate risk.

Item 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures. As of June 30, 2003, the end of the period covered by this report, the Company's chief executive officer and its chief financial officer reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15(d)-15(e)), which are designed to ensure that material information the Company must disclose in its report filed or submitted under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized, and reported on a timely basis, and have concluded, based on that evaluation, that as of such date, the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's chief executive officer and chief financial officer as appropriate to allow timely decisions regarding required disclosure.

(b) Changes in internal control over financial reporting. In the three months ended June 30, 2003, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

Part II - Other Information

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

The Company held its 2003 annual meeting of stockholders on May 14, 2003. The following directors were elected at the annual meeting:

	For	Withheld	Exception
Fores J. Beaudry	4,366,416	55,353	
Thomas J. Carley	4,366,416	55,353	
James B. Hicks, Ph.D.	4,304,116	117,653	
Anthony Meeker	4,304,116	117,653	
Nancy B. Sherertz	4,205,644	219,125	
William W. Sherertz	4,275,816	145,953	

The other matters presented for action at the annual meeting were approved by the following vote:

	For	Against	Abstain
Approval of the 2003 Stock Incentive Plan	4,153,303	254,302	14,164
Approval of the appointment of PricewaterhouseCoopers LLP as independent accountants	2,196,322	2,040,137	185,310

Part II - Other Information (Continued)

Item 6. Exhibits and Reports on Form 8-K

(a) The exhibits filed herewith are listed in the Exhibit Index following the signature page of this report.

(b) The following Current Reports on Form 8-K were filed by the Registrant during the quarter ended June 30, 2003:

On May 2, 2003, the Company furnished a Current Report on Form 8-K reporting an April 30, 2003 press release announcing the Company's results of operations for the first quarter ended March 31, 2003.

The Company filed a Current Report on Form 8-K on June 12, 2003, to report a Third Amendment to its loan agreement with Wells Fargo Bank, N.A., effective for the period from May 22, 2003 to July 31, 2003.

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.

BARRETT BUSINESS SERVICES, INC.
(Registrant)

Date: August 12, 2003

/s/ Michael D. Mulholland

Michael D. Mulholland
Vice President - Finance
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit

10.1 Fourth Amendment, dated July 22, 2003, to Amended and Restated Credit Agreement between the Registrant and Wells Fargo Bank, N.A., dated September 2, 2002.

31.1 Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 10.1

FOURTH AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

THIS FOURTH AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") is entered into as of July 22, 2003, by and between BARRETT BUSINESS SERVICES, INC., a Maryland corporation ("Borrower"), and WELLS FARGO BANK, NATIONAL ASSOCIATION ("Bank").

RECITALS

A. Borrower is currently indebted to Bank pursuant to the terms and conditions of that certain Amended and Restated Credit Agreement between Borrower and Bank dated as of September 2, 2002 as amended from time to time ("Credit Agreement").

B. Pursuant to the Credit Agreement, Borrower remains indebted to Bank under a line of credit in the original principal amount of Eleven Million Dollars ($11,000,000.00) (the "Line of Credit"), which is evidenced by that certain Line of Credit Note dated May 20, 2003 (the "Line of Credit Note"). The Line of Credit Note shall mature and become due and payable in full on March 31, 2004 and as of the date hereof, the outstanding principal balance under the Line of Credit is $2,107,896.48, plus accrued but unpaid interest.

C. Bank and Borrower have agreed to certain changes in the terms and conditions set forth in the Credit Agreement and have agreed to amend the Credit Agreement to reflect said changes.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, subject to the terms and conditions described herein, the parties hereto agree that the Credit Agreement shall be amended as follows; provided, however, that nothing shall terminate any security interests or other documents in favor of Bank, all of which shall remain in full force and effect unless expressly amended hereby:

1. Amendment to Section 5.5. Section 5.5 of the Credit Agreement is hereby deleted in its entirety, and the following substituted therefore:

> "Section 5.5. LOANS, ADVANCES, INVESTMENTS. Make any loans or advances to or investments in any person or entity, except: (a) any of the foregoing existing as of, and disclosed to Bank prior to, the date hereof; (b) equity securities of publicly-traded companies in amounts not to exceed an aggregate of $200,000.00 plus any investment gains (net of any losses) thereon; and (c) loans or advances to William W. Sherertz in amounts not to exceed an aggregate of $110,000.00 outstanding at any one time."

2. Conditions Precedent. The obligation of Bank to amend the terms and conditions of the Credit Agreement as provided herein, is subject to the fulfillment to Bank's satisfaction of all of the following conditions by no later than August 1, 2003:

(a) Bank shall have received, in form and substance satisfactory to Bank, each of the following, duly executed:

(i) This Amendment.
(ii) Such other documents as Bank may require under any other section of this Amendment.

(b) Other Fees and Costs. In addition to Borrower's obligations under the Credit Agreement and the other Loan Documents, Borrower shall have paid to Bank the full amount of all costs and expenses, including reasonable attorneys' fees (including the allocated costs of Bank's in-house counsel) expended or incurred by Bank in connection with the negotiation and preparation of this Amendment, for which Bank has made demand.

3. General Release. In consideration of the benefits provided to Borrower under the terms and provisions hereof, Borrower hereby agrees as follows ("General Release"):

(a) Borrower, for itself and on behalf of its successors and assigns, does hereby release, acquit and forever discharge Bank, all of Bank's predecessors in interest, and all of Bank's past and present officers, directors, attorneys, affiliates, employees and agents, of and from any and all claims, demands, obligations, liabilities, indebtedness, breaches of contract, breaches of duty or of any relationship, acts, omissions, misfeasance, malfeasance, causes of action, defenses, offsets, debts, sums of money, accounts, compensation, contracts, controversies, promises, damages, costs, losses and expenses, of every type, kind, nature, description or character, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, each as though fully set forth herein at length (each, a "Released Claim" and collectively, the "Released Claims"), that Borrower now has or may acquire as of the later of: (i) the date this Amendment becomes effective through the satisfaction (or waiver by Bank) of all conditions hereto; (ii) the date that Borrower has executed and delivered this Amendment to Bank (hereafter, the "Release Date"), including without limitation, those Released Claims in any way arising out of, connected with or related to any and all prior credit accommodations, if any, provided by Bank, or any of Bank's predecessors in interest, to Borrower, and any agreements, notes or documents of any kind related thereto or the transactions contemplated thereby or hereby, or any other agreement or document referred to herein or therein.

(b) Borrower hereby acknowledges, represents and warrants to Bank that it agrees to assume the risk of any and all unknown, unanticipated or misunderstood defenses and Released Claims which are released by the provisions of this General Release in favor of Bank, and Borrower hereby waives and releases all rights and benefits which it might otherwise have under any state or local laws or statutes with regard to the release of such unknown, unanticipated or misunderstood defenses and Released Claims.

(c) Each person signing below on behalf of Borrower acknowledges that he or she has read each of the provisions of this General Release. Each such person fully understands that this General Release has important legal consequences, and each such person realizes that they are releasing any and all Released Claims that Borrower may have as of the Release Date. Borrower hereby acknowledges that it has had an opportunity to obtain a lawyer's advice concerning the legal consequences of each of the provisions of this General Release.

(d) Borrower hereby specifically acknowledges and agrees that: (i) none of the provisions of this General Release shall be construed as or constitute an admission of any liability on the part of Bank; (ii) the provisions of this General Release shall constitute an absolute bar to any Released Claim of any kind, whether any such Released Claim is based on contract, tort, warranty, mistake or any other theory, whether legal, statutory or equitable; and (iii) any attempt to assert a Released Claim barred by the provisions of this General Release

shall subject Borrower to the provisions of applicable law setting forth the remedies for the bringing of groundless, frivolous or baseless claims or causes of action.

4. Miscellaneous. Except as specifically provided herein, all terms and conditions of the Credit Agreement shall remain in full force and effect, without waiver or modification. All terms defined in the Credit Agreement shall have the same meaning when used in this Amendment. This Amendment and the Credit Agreement shall be read together, as one document. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same Amendment.

5. Reaffirmation; Certification. Borrower hereby remakes all representations and warranties contained in the Credit Agreement and reaffirms all covenants set forth therein. Borrower further certifies that as of the date of this Amendment there exists no Event of Default as defined in the Credit Agreement, nor any condition, act or event which with the giving of notice or the passage of time or both would constitute an Event of Default.

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY BANK AFTER OCTOBER 3, 1989 CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY BANK TO BE ENFORCEABLE.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the day and year first written above.

BARRETT BUSINESS SERVICES, INC.	WELLS FARGO BANK, NATIONAL ASSOCIATION
By: /s/ Michael D. Mulholland	By: /s/ Stephen J. Day
Michael D. Mulholland	Stephen J. Day
Vice President-Finance	Vice President

Exhibit 31.1

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

I, William W. Sherertz certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Barrett Business Services, Inc.;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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)) 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 is made known to us by others within the Company, particularly during the period in which this quarterly report is being prepared;

   (b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly 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

   (c) 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 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:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect 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 12, 2003

/s/ William W. Sherertz

William W. Sherertz
Chief Executive Officer

Exhibit 31.2

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

I, Michael D. Mulholland certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Barrett Business Services, Inc.;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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)) 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 is made known to us by others within the Company, particularly during the period in which this quarterly report is being prepared;

   (b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly 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

   (c) 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 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:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect 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 12, 2003

/s/ Michael D. Mulholland

Michael D. Mulholland
Chief Financial Officer

EXHIBIT 32.1

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

In connection with the Quarterly Report of Barrett Business Services, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William W. Sherertz, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 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 result of operations of the Company.

/s/ William W. Sherertz
- -----------------------
William W. Sherertz
Chief Executive Officer
August 12, 2003

EXHIBIT 32.2

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

In connection with the Quarterly Report of Barrett Business Services, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael D. Mulholland, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 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 result of operations of the Company.

/s/ Michael D. Mulholland
- -------------------------
Michael D. Mulholland
Chief Financial Officer
August 12, 2003