THIS DOCUMENT IS A COPY OF THE FORM 10-Q
FOR THE PERIOD ENDED JUNE 30, 1994,
FILED ON AUGUST 16, 1994, PURSUANT TO
RULE 201 TEMPORARY HARDSHIP EXEMPTION.

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, 1994

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 97201

(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 report), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X]   No [   ]

Number of shares of Common Stock, $.01 par value outstanding at June 30, 1994: 6,328,000 shares.

BARRETT BUSINESS SERVICES, INC.

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BARRETT BUSINESS SERVICES, INC.

BALANCE SHEET

<CAPTION>

	June 30, 1994 Unaudited	Dec. 31, 1993
	(In thousands)	
ASSETS		
<S>	<C>	<C>
Current assets:		
Cash and cash equivalents	$2,010	$1,127
Marketable securities	---	6,374
Accounts receivable, net	10,133	4,954
Prepaid expenses and other	344	145
Deferred tax asset (Note 3)	866	894
Total current assets	13,353	13,494
Intangibles, net	4,839	294
Property and equipment, net	2,075	1,876
Restricted marketable securities and workers' compensation deposits	3,187	2,728
Other assets	45	33
	$23,499	$18,425
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 30	$123
Income taxes payable (Note 3)	94	79
Accounts payable	248	91
Accrued payroll and related benefits	6,480	3,223
Accrued workers' compensation claims	2,366	2,434
Customer safety incentives payable	682	527
Total current liabilities	9,900	6,477
Long-term debt, net of current portion	923	946
Customer deposits	595	522
	11,418	7,945
Stockholders' equity:		
Common stock	63	32
Additional paid-in capital	8,698	8,469
Retained earnings	3,320	1,979
	12,081	10,480
	$23,499	$18,425

The accompanying notes are an integral part of this financial statement.

</TABLE>

<TABLE>

BARRETT BUSINESS SERVICES, INC.

STATEMENT OF OPERATIONS

<CAPTION>

	Unaudited			
	Three Months Ended June 30,		Six Months Ended June 30,	
	1994	1993	1994	1993
	(In thousands, except per share amounts)			
<S>	<C>	<C>	<C>	<C>
Revenues:				
Temporary services	$ 18,661	$10,662	$30,421	$18,876
Staff leasing services	16,475	14,724	31,782	27,045
	35,136	25,386	62,203	45,921

Cost of revenues:				
Direct payroll costs	26,213	18,793	46,609	34,214
Payroll taxes and benefits	3,246	2,622	5,812	4,725
Workers' compensation	1,511	1,337	2,396	2,173
Safety incentives	247	179	497	320
	31,217	22,931	55,314	41,432
Gross margin	3,919	2,455	6,889	4,489
Selling, general and administrative expenses	2,531	1,566	4,485	2,964
Provision for doubtful accounts	29	9	58	9
Amortization of intangibles	113	92	180	195
Income from operations	1,246	788	2,166	1,321
Other income (expense):				
Interest expense	(35)	(17)	(63)	(27)
Interest income	29	9	85	9
Other, net	1	22	32	136
	(5)	14	54	118
Income before tax benefit (provision for taxes)	1,241	802	2,220	1,439
Income tax benefit (provision for income taxes) (Note 3)	(476)	315	(847)	315
Net income	$ 765	$1,117	$1,373	$1,754
Pro forma data (Note 3):				
Income before provision for income taxes	$1,241	$ 802	$2,220	$1,439
Provision for income taxes	476	314	847	563
Net income	$ 765	488	$1,373	$ 876
Primary earnings per share (Note 5)	$0.12	$0.11	$0.21	$ 0.21
Primary weighted average number of common and common stock equivalent shares outstanding	6,622	4,418	6,580	4,210

The accompanying notes are an integral part of this financial statement.

</TABLE>
<TABLE>

BARRETT BUSINESS SERVICES, INC.

STATEMENT OF CASH FLOWS

<CAPTION>

	Unaudited Six Months Ended June 30, 1994	1993
	(In thousands)	
<S>	<C>	<C>
Cash flows from operating activities:		
Net income	$1,373	$1,754
Reconciliation of net income to cash from operations:		
Depreciation and amortization	276	268
Gain on sales of securities	---	(108)
Provision for doubtful accounts	58	9
Changes in certain assets and liabilities:		
Accounts receivable	(5,237)	(2,332)
Prepaid expenses and other	(199)	(40)
Deferred tax asset	28	(665)
Accounts payable	157	68
Accrued payroll and benefits	3,257	1,939
Accrued workers' compensation claims	(68)	481
Customer safety incentives payable	155	19
Due to stockholders	---	(98)
Income taxes payable	15	338
Customer deposits and other, net	61	(50)

Net cash (used for) provided by operating activities	(124)	1,583
Cash flows from investing activities:		
Increase in intangibles through acquisitions	(4,498)	(10)
Purchases of fixed assets	(294)	(995)
Proceeds from sales of marketable securities	6,416	161
Purchases of marketable securities	(501)	(53)
Net cash (used for) provided by investing activities	1,123	(897)
Cash flows from financing activities:		
Distributions to stockholders	---	(869)
Proceeds from debt issued	---	38
Payments on long-term debt	(116)	(100)
Proceeds from issuance of stock, net	---	5,879
Net cash used for financing activities	(116)	4,948
Net increase in cash and cash equivalents	883	5,634
Cash and cash equivalents, beginning of period	1,127	12
Cash and cash equivalents, end of period	$ 2,010	$ 5,646
Issuance of common stock to acquire intangibles	$ 228	$ ---

The accompanying notes are an integral part of this financial statement.
</TABLE>

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. ("Company") pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures typically included in financial statements prepared in accordance with generally accepted accounting principles 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 financial statements should be read in conjunction with the audited financial statements and notes thereto included in 1993 Form 10-K filed with the Securities and Exchange Commission. The results of operations for an interim period are not necessarily indicative of the results of operations for a full year.

NOTE 2 - ACQUISITIONS:

On February 27, 1994, the Company purchased substantially all of the assets of Personnel Management Consulting, Inc., a company engaged in the temporary services business in Maryland and Delaware. Of the $270,000 purchase price, the Company paid $42,000 in cash and issued 12,000 shares of its common stock with a fair market value of $228,000 at date of purchase. The acquisition was accounted for under the purchase method of accounting resulting in approximately $241,000 of intangible assets and $29,000 in fixed assets.

On March 7, 1994, the Company purchased certain assets of Golden West Temporary Services (Golden West), a company in the temporary services business with offices in Santa Clara, San Jose, Fremont, and Mountain View, California. The purchase price of $4,514,000 was paid by liquidating a portion of the Company's short-term marketable securities. The Company accounted for the acquisition under the purchase method of accounting resulting in approximately $4,425,000 of intangible assets and $89,000 of fixed assets.

Intangible assets related to the acquisition are being amortized over their estimated useful lives of fifteen years.

NOTE 3 - INCOME TAX BENEFIT, PROVISION FOR INCOME TAXES AND PRO FORMA PROVISION FOR INCOME TAXES:

A pro forma provision for income taxes that would have been recorded if the Company had been a C corporation for all periods presented is provided for comparative purposes. The benefit from income taxes includes benefits arising from net cumulative temporary differences in the timing of reporting certain deductible items for financial statement and income tax purposes in accordance with Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes." In conjunction with the termination of the Company's S corporation status on April 30, 1993, a cumulative net deferred tax asset of $505,000 was established with an offsetting credit to the income tax benefit.

Deferred tax assets (liabilities) are comprised of the following components (in thousands):

<TABLE>
<CAPTION>

<S>	<C> June 30, 1994	<C> Dec. 31, 1993
Accrued workers' compensation claim liabilities	$922	$ 949
Allowance for doubtful accounts. .	25	10
Tax depreciation in excess of book depreciation	(81)	(65)
	---	---
	$866	$ 894
	===	===

</TABLE>

The provision for income taxes for the six months ended June 30, 1994, is as follows (in thousands):

<TABLE>
<CAPTION>

<S>	Six Months Ended June 30, 1994 <C>
Current:	
Federal.	$ 673
State.	145

	818

Deferred:	
Federal.	24
State.	5

	29

Provision for income taxes . . .	$ 847
	===

</TABLE>

NOTE 4 - STOCK INCENTIVE PLAN:

As of March 1, 1993, the Company adopted a stock incentive plan ("Plan") which provides for stock-based awards to the Company's employees, directors and outside consultants or advisers. As of April 20, 1994, the Company increased the number of shares reserved from 500,000 to 800,000 shares of common stock for issuance under the Plan. An award of 4,000 restricted shares was granted under the Plan in June 1993.

The following table summarizes options granted under the Plan in 1994:

<TABLE>
<CAPTION>

<S>	<C> Shares	<C> Range of Prices
Outstanding at December 31, 1993	160,500	$3.50 to $4.6875
Options granted	213,500	$9.50 to $13.5625
Options exercised	---	
Options canceled or expired	(8,000)	

Outstanding at June 30, 1994	366,000	
	=======	

Available for grant at June 30, 1994	430,000
	=======

</TABLE>

The options listed in the table will become exercisable in four equal annual installments beginning one year after the date of grant.

NOTE 5 - NET INCOME PER SHARE AND STOCK SPLIT:

Net income per share is computed based on the weighted average number of shares outstanding during the period after giving effect to stock options and warrants which are considered to be common stock equivalents as such securities aggregate more than 3% of shares outstanding and thus are considered dilutive.

On April 20, 1994, the board of directors of the Company approved a 2-for-1 stock split in the form of a stock dividend payable May 23, 1994, to holders of record of its shares at the close of business on May 2, 1994, ("Record Date"), at the rate of one new share for each share outstanding on the Record Date.

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 statement of operations for the periods indicated.

<TABLE>
<CAPTION>

	Percentage of Total Revenues			
	Three Months Ended June 30,		Six Months Ended June 30,	
	1994	1993	1994	1993
Temporary services revenues	53.1%	42.0%	48.9%	41.1%
Staff leasing services revenues	46.9	58.0	51.1	58.9
Direct payroll costs	74.6	74.0	74.9	74.5
Payroll taxes and benefits	9.3	10.3	9.4	10.3
Workers' compensation	4.3	5.3	3.8	4.7
Safety incentives	.7	.7	.8	.7
Gross margin	11.1	9.7	11.1	9.8
Selling, general and administrative expenses (Including provision for doubtful accounts and amortization of intangibles)	7.6	6.6	7.6	6.9
Income from operations	3.5	3.1	3.5	2.9
Other income	-.-	.1	.1	.2
Pretax income	3.5	3.2	3.6	3.1
Income tax benefit (provision for income taxes)	(1.3)	1.2	(1.4)	.7
Net income	2.2	4.4	2.2	3.8
Pro forma provision for income taxes	1.3	1.2	1.4	1.2
Pro forma net income	2.2	1.9	2.2	1.9

</TABLE>

SIX MONTHS ENDED JUNE 30, 1994 AND 1993

TEMPORARY AND STAFF LEASING SERVICES REVENUES. Total revenues increased $16,282,000 (35.5%) to $62,203,000 for the six months ended June 30, 1994, compared to the comparable period of the prior year. The increase in total revenues was attributable to growth in temporary services revenues and staff leasing services revenues of $11,545,000 (61.2%) and $4,737,000 (17.5%), respectively.

Approximately 70% of the increase in temporary services revenues was due to the acquisition of two temporary services businesses, and the balance to the Company's ongoing internal sales program. The acquired companies had total revenues of approximately $25,000,000 during 1993.

The increase in staff leasing services revenues for the six months ended June 30, 1994, compared to the same period of 1993, is primarily attributable to the addition of new clients in Oregon. The Company markets its staff leasing services through its Oregon and Maryland branches using its branch office sales staff.

The Company plans to begin offering staff leasing services in Washington during the third quarter of 1994.

PAYROLL COSTS, PAYROLL TAXES, AND BENEFITS. Payroll costs, payroll taxes, and benefits for the Company's temporary services and staff leasing services employees increased by $13,482,000 (34.6%) in the first six months of 1994 compared to the same period in 1993, primarily as a result of growth in the number of employees. As a percentage of revenues, such costs decreased from 84.8% in the first six months of 1993 to 84.3% in the 1994 period, reflecting a decrease in the Company's statutory payroll taxes for 1994.

WORKERS' COMPENSATION AND SAFETY INCENTIVES EXPENSE. The Company has been a self-insured employer for workers' compensation coverage in Oregon since August 1987 and became self-insured in Maryland in November 1993. Workers' compensation expense currently includes the cost of self-insurance for the Company's employees in Oregon and Maryland and third party insurance coverage for such employees in Washington and California. As a percentage of revenues, workers' compensation and safety incentives expense decreased from 5.4% in the first six months of 1993 to 4.6% in the comparable period of 1994, due primarily to a decrease in the number of claims reported under the Company's self-insured workers' compensation programs.

The Company's self-insured workers' compensation expense is tied directly to the incidence and severity of workplace injuries to its employees. Significant elements affecting the performance of the self-insured workers' compensation program include the regulatory climate surrounding workers' compensation, the Company's workplace safety program and the claims management approach taken by the Company and its third party administrators.

In April 1994 the Company incurred a self-insured workers' compensation fatality claim in Oregon. The present value of the future benefits payable to the beneficiary of the fatally injured employee is estimated to be $418,000. The Company maintains excess workers' compensation insurance to limit its self-insurance liability to $350,000 per occurrence.

Effective July 1, 1994, the Company received a Certificate of Qualification from the State of Washington qualifying the Company as a self-insurer for workers' compensation.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES. Selling, general and administrative expenses (including the provision for doubtful accounts and the amortization of intangibles) consists of compensation and other expenses incident to the operation of the Company's headquarters and branch offices and marketing its services. As a percentage of total revenues, selling, general and administrative expenses increased from 6.9% during the first six months of 1993 to 7.6% during 1994, due primarily to the acquisition of two temporary services businesses in early 1994. Temporary services have higher overhead requirements as compared to staff leasing services.

OTHER (EXPENSE) INCOME. Other income decreased from $118,000 in the first six months in 1993 to $54,000 in 1994, due primarily to the discontinuation of investment in commodities futures contracts, which resulted in a net gain of $108,000 in the first six months of 1993.

PROVISION AND PRO FORMA PROVISION FOR INCOME TAXES. The Company was exempt from taxation as an S corporation until its S corporation election was terminated on April 30, 1993. The pro forma effective tax rate of 39.1% is the effective tax rate that would have been applicable if the Company had been a C corporation for the first six months of 1993. The effective tax rate for the first six months of 1994 was 38.2%.

THREE MONTHS ENDED JUNE 30, 1994 AND 1993

TEMPORARY AND STAFF LEASING SERVICES REVENUES. Total revenues increased $9,750,000 (38.4%) to $35,136,000 for the second quarter of 1994, compared to the comparable period of the prior year. The increase in total revenues was attributable to growth in temporary services revenues and staff leasing services revenues of $7,999,000 (75.0%) and $1,751,000 (11.9%), respectively.

The increase in temporary services revenues for the second quarter was due primarily to the Company's acquisition of two temporary services businesses during the first quarter of 1994.

PAYROLL COSTS, PAYROLL TAXES AND BENEFITS. Payroll costs, payroll taxes and benefits for the Company's staff leasing and temporary services employees increased by $8,044,000 (37.6%) in the second quarter of 1994 compared to the same period of 1993, primarily as a result of growth in the number of employees. As a percentage of revenues, such costs decreased from 84.3% in the second quarter of 1993 to 83.9% in the 1994 period, reflecting a decrease in the Company's statutory payroll taxes for 1994.

WORKERS' COMPENSATION AND SAFETY INCENTIVES EXPENSE. Workers' compensation expense increased $174,000 (13.0%) in the second quarter of 1994 compared to the same period of 1993 primarily attributable to the fatality claim in Oregon in 1994 and the increase in the number of employees. As a percentage of revenue, workers' compensation and safety incentives expense decreased to 5.0% for the second quarter of 1994 compared to 6.0% for the same period of 1993 due to a decrease in the number of claims reported under the Company's self-insured workers' compensation programs.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES. Selling, general and administrative expenses (including the provision for doubtful accounts and the amortization of intangibles) increased by $1,006,000 (60.0%) to $2,673,000 in the second quarter of 1994 as compared to the same period of 1993.

As a percentage of revenues, selling, general and administrative expenses increased from 6.6% in the 1993 second quarter to 7.6% in the same period of 1994. The increase was due primarily to the acquisition of two temporary services businesses and additional administrative staffing necessary to support continued growth of the Company.

PRO FORMA PROVISION FOR INCOME TAXES. The pro forma effective tax rate in the second quarter of 1994 was 38.4% compared to 39.2% for the same period of 1993.

SEASONAL FLUCTUATIONS

The Company's revenues historically have been subject to some seasonal fluctuation, particularly in its temporary services business. Demand for the Company's temporary employees and its payroll requirements (and associated mark-ups) for certain of its staff leasing clients decline during the year-end holiday season and periods of bad weather. Correspondingly, demand for temporary services and the operations of some staff leasing clients, particularly agricultural and forest products-based companies, increase during the second and third quarters.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations and met its liquidity needs during the first six months of 1994 primarily from the sales of short-term marketable securities previously held for investment of $6,416,000. The principal use of funds during the period was for the acquisition of two temporary services businesses in the amount of $4,556,000.

In February 1994, the Company acquired the assets of Personnel Management and Consulting, Inc. ("PMC"), a Maryland corporation, for $270,000, of which $42,000 was paid in cash and $228,000 was paid in the form of 12,000 shares of common stock of the Company. PMC had unaudited revenues of approximately $800,000 for the year ended December 31, 1993, primarily from sales of temporary services provided through three branch offices, one in each of Salisbury and Easton, Maryland, and Seaford, Delaware.

In March 1994, the Company acquired the assets of Golden West Temporary Services ("Golden West"), a California corporation, for $4,514,000 in cash from working capital. Golden West had total revenues of $24,533,000 for the year ended December 31, 1993, from the sales of temporary services provided through four branch offices, one in each of San Jose, Santa Clara, Mountain View and Fremont, California.

The Company has an unsecured bank line of credit for a maximum amount of $4,000,000, expiring subject to renewal on

May 31, 1995. Outstanding balances against the line of credit accrue interest at the bank's prime rate. The highest borrowing against the line during 1994 and 1993 was $1,500,069 and $1,189,000, respectively. The average balance outstanding against the line for the six months ended June 30, 1994 was $331,975, compared to $5,444 during 1993. There was a zero balance outstanding under the credit line at June 30, 1994, and 1993. Under the amended loan agreement for the line of credit, the Company is required to maintain (i) a ratio of total liabilities to tangible net worth of not more than 2.0 to 1.0, (ii) positive quarterly net income before taxes, (iii) tangible net worth of at least $6,000,000, and (iv) a zero outstanding balance against the line for a minimum of sixty (60) consecutive days during each year. The Company is also prohibited from pledging any of its assets other than existing mortgages on its real property.

The Company hopes to expand its self-insured workers' compensation and staff leasing program to Washington and California during the second half of 1994. If self-insured status is obtained in California, the required surety deposit is expected to be at least $2,000,000 to be paid from cash or other funding sources, potentially including letters of credit from the Company's lender and surety bonds from providers of third party insurance. The surety deposit for the State of Washington has been set at $345,000 to be paid from cash.

A key part of the Company's business strategy is continued growth through the expansion of operations at existing offices and the acquisition of additional personnel related businesses, both in its existing markets and other geographic areas. The Company actively explores proposals for various acquisition opportunities on an ongoing basis, but there can be no assurance that any additional transactions will be consummated. The Company believes that the available credit lines and other sources of financing and anticipated funds to be generated from operations will be sufficient in the aggregate to provide funds for its working capital needs for the foreseeable future.

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 in Oregon and Maryland.

Part II. Other Information

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

The Company held a special meeting of stockholders on August 10, 1994. A proposal to amend Article III of the Company's Charter to increase the number of authorized shares of common stock of the Company from 7,500,000 to 20,500,000 was approved as follows:

<TABLE>
<CAPTION>

FOR	AGAINST	ABSTENTION AND BROKER NON-VOTES	
<C>		<C>	<C>
5,690,961.444		221,738.8292,367.629	

</TABLE>

Item 6. Exhibits and Reports on Form 8-K

(a) The exhibits filed herewith are listed in the Exhibit Index on page 16 of this report.

(b) No reports on Form 8-K were filed by the registrant during the quarter ended June 30, 1994.

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 15, 1994

By: /s/ William W. Sherertz
William W. Sherertz
President
(Principal Executive and
Principal Financial
Officer)

EXHIBIT INDEX

Exhibit	
3	Charter of the Registrant, as amended.
4	Second Amendment to Loan Agreement Between the Registrant and First Interstate Bank of Oregon, N.A., dated May 31, 1994, together with Optional Advance Note dated May 31, 1994.
11	Statement Showing Calculation of Average Common Shares Outstanding.
99	Description of Capital Stock of the Registrant.

EXHIBIT 3

BARRETT BUSINESS SERVICES, INC.

CHARTER

as amended August 15, 1994

ARTICLE I

The name of this corporation (the "Corporation") is Barrett Business Services, Inc.

ARTICLE II

The purposes for which the Corporation is formed are:

(a) To engage generally in the business of supplying temporary and long-term employees to others.

(b) To engage in any other business deemed by it to be desirable to facilitate, directly or indirectly the business referred to above or to enhance the value of its property, business, or rights.

(c) To engage in any lawful activity for which a corporation may be formed under the Maryland General Corporation Law.

ARTICLE III

(a) The aggregate number of shares which the Corporation shall have authority to issue is 21,000,000 which shall be divided into classes as follows:

Title of Class	No. of Shares
Preferred Stock, $.01 par value per share	500,000
Common Stock, $.01 par value per share	20,500,000

When this amendment and restatement shall become effective and without the necessity of any further action of any kind, each previously issued and outstanding share of stock of the Corporation of the par value of ten dollars a share shall be reclassified and changed into and shall constitute 7,968.1274 shares of the Common Stock, $.01 par value, of the Corporation, provided that any resulting fraction of share shall be rounded to the nearest full share with fractions of .5 rounded up. There shall be transferred from surplus to stated capital on the Corporation's books at the time this amendment and restatement becomes effective an amount equal to the difference between the aggregate par value of the shares of Common Stock, $.01 par value, issued and outstanding immediately after such effective time and the aggregate par value of the shares of stock of the par value of ten dollars a share issued and outstanding immediately prior to such effective time.

(b) The preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, and terms or conditions of redemption of each class of stock of the Corporation shall be as follows:

(1) Preferred Stock:

The Board of Directors of the Corporation (the "Board of Directors") may classify or reclassify any unissued Preferred Stock from time to time by setting or changing the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms or conditions of redemption of such Preferred Stock. Without limiting the generality of the foregoing, the Board of Directors shall have authority to classify and reclassify any unissued Preferred Stock into as many series as the Board of Directors shall from time to time determine, and to issue the Preferred Stock in such series.

The description of shares of each series of Preferred Stock shall be set forth in resolutions adopted by the Board of Directors and in Articles Supplementary filed as required by law from time to time prior to the issuance of any shares of such series.

The Board of Directors is expressly authorized, prior to issuance, by adopting resolutions providing for the issuance of, or providing for a change in the number of, shares of any particular series of Preferred Stock and, if and to the extent from time to time required by law, by filing Articles Supplementary to set or change the number of shares to be included in each series of Preferred Stock and to set or change in any one or more respects the designations, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms and conditions of redemption relating to the shares of each such series. Notwithstanding the foregoing, the Board of Directors shall not be authorized to change the right of the Common Stock of the Corporation to vote one vote per share on all matters submitted for stockholder action.

(2) Common Stock:

Except for and subject to the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms or conditions of redemption of the Preferred Stock or any series thereof, as may be granted pursuant to Section (b)(1) of this Article or except as may be provided by the laws of Maryland, the holders of the Common Stock shall have all other rights of stockholders including, without limitation, (i) voting rights on all corporate matters on the basis of one vote per share and the right to notices of meetings and other corporate actions, (ii) the right to receive dividends and other distributions when and as declared by the Board of Directors out of assets legally available therefor, and (iii) in the event of any liquidation, dissolution or winding up of the Corporation, the right to receive the assets available for distributions to stockholders.

(c) The Board of Directors may authorize the issuance or sale from time to time of shares of stock by the Corporation of any class, whether now or hereafter authorized, or securities convertible into shares of its stock of any class, whether now or hereafter authorized, for such consideration as the Board of Directors may deem advisable, subject to such restrictions or limitations, if any, as may be set forth in the Charter or bylaws of the Corporation.

(d) No holder of any shares of any class of stock or other security of the Corporation now or hereafter authorized shall have any preemptive right or be entitled as a matter of right as such holder to purchase, subscribe for or otherwise acquire any shares of any stock of the Corporation of any class now or hereafter authorized or any securities convertible into or exchangeable for any such shares, or any warrants or other instruments evidencing rights or options to subscribe for, purchase or otherwise acquire any such shares, whether such shares, securities, warrants or other instruments are now or hereafter authorized or issued or issued and thereafter reacquired by the Corporation, other than such, if any, as may be fixed from time to time by the Board of Directors in its discretion.

ARTICLE IV

The number of directors constituting the Board of Directors shall be as fixed by the bylaws.

ARTICLE V

The Corporation shall indemnify each of its officers and directors to the fullest extent permissible under the Maryland General Corporation Law, as the same exists or may hereafter be amended, against all liabilities, losses, judgments, penalties, fines, settlements and reasonable expenses (including, without limitation, attorneys' fees) incurred or suffered by such person by reason of or arising from the fact that such person is or was an officer or director of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, and such indemnification shall continue as to a person who has ceased to be a director, officer, partner, trustee, employee, or agent and shall inure to the benefit of his or her heirs, executors, and administrators. The Corporation may, by action of the Board of Directors, provide indemnification to employees and agents of the Corporation who are not officers or directors with the same scope and effect as the indemnification provided in this Article to officers and directors. The indemnification provided in this Article shall not be exclusive of any other rights, by indemnification or otherwise, to which any officer or director may be entitled under any statute, bylaw, agreement, resolution of stockholders or directors, or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office.

ARTICLE VI

Officers and directors of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for conduct in their capacities as officers and directors except to the extent that section 5-349 of the Courts and Judicial Proceedings Article of the Annotated Code of Maryland, as it now exists or may hereafter be amended, prohibits elimination or limitation of officer and director liability. No repeal or amendment of this Article or of section 5-349 of the Courts and Judicial Proceedings Article of the Annotated Code of Maryland shall adversely affect any right or protection of an officer or director for actions or omissions prior to the repeal or amendment.

ARTICLE VII

The power to adopt, alter and repeal the bylaws of the Corporation shall be vested solely in the Board of Directors.

ARTICLE VIII

The affirmative vote of a majority of all votes of all classes or any class of stock entitled to be cast on any matter required to be submitted for consideration by the stockholders of the Corporation including, without limitation, any proposed merger, consolidation, share exchange, transfer, Charter amendment, or dissolution required to be so submitted, shall constitute approval by the stockholders of such matter notwithstanding any provision of the Maryland General Corporation Law requiring a greater proportion of the votes of all classes or any class of stock on such matter.

EXHIBIT 4

SECOND AMENDMENT TO LOAN AGREEMENT

THIS AMENDMENT TO LOAN AGREEMENT, made and entered into as of the 31st day of May, 1994, by and between FIRST INTERSTATE BANK OF OREGON, N.A. (hereinafter referred to as "Bank"), and BARRETT BUSINESS SERVICES, INC. (hereinafter referred to as "Borrower").

RECITALS:

The parties entered into a loan agreement dated as of August 12, 1993 (as amended from time to time the "Agreement"), and the parties now desire to amend the Agreement as hereinafter provided. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Agreement.

NOW, THEREFORE, the parties mutually agree as follows:

1. Section 1 of the Agreement is hereby amended and restated as follows:

> "1. LOAN(S). Subject to the terms and conditions of this Agreement, Bank agrees to make (a) a loan or loans on a revolving basis up to and including May 31, 1995, in the maximum aggregate amount outstanding at any one time of Four Million and No/100 Dollars ($4,000,000.00) to Borrower for the purpose of working capital support ('Revolving Loan'), and (b) a term real estate loan in the maximum amount of Six Hundred Ninety-three Thousand Seven Hundred Fifty and No/100 Dollars ($693,750.00) ('Real Estate Loan'). The Revolving Loan and Real Estate Loan shall be referred to collectively as the 'Loans'. The Loans shall be evidenced by promissory notes substantially in the form of Exhibits A and B attached hereto and by this reference incorporated herein ('Notes')."

The attached Exhibit A which is by this reference incorporated herein shall replace the current Exhibit A, and Exhibit B shall remain the same.

2. The obligation of Bank under this Amendment is subject to the condition that, on or prior to May 31, 1994 (the "Amendment Closing Date"), there shall have been delivered to Bank, in form and substance satisfactory to Bank and its counsel:

(a) A copy of a resolution or resolutions passed by the Board of Directors of Borrower, certified by the Secretary or Assistant Secretary of Borrower as being in full force and effect on the Amendment Closing Date, authorizing the Borrowings herein provided for and the execution, delivery, and performance of this Amendment, the Notes, and any other instrument or agreement required hereunder.

(b) A certificate, signed by the Secretary or Assistant Secretary of Borrower and dated the Amendment Closing Date, as to the incumbency of the person or persons authorized to execute and deliver this Amendment, the Notes, or any other instrument or agreement required hereunder on behalf of Borrower.

(c) Certificate, signed by the Secretary or Assistant Secretary of Borrower and dated the Amendment Closing Date, substantially in the form of Attachment 1 attached hereto and by this reference incorporated herein.

(d) A new revolving Note, duly executed, which is hereinafter included in the definition of "Loan Documents."

(e) Payment of a fee of Twenty Thousand and No/100 Dollars ($20,000.00).

3. Except as herein amended, each and all of the terms and provisions of the Agreement shall be and remain in full force and effect during the term thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Agreement, in duplicate, as of the date first hereinabove written.

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY THE 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 THE BANK TO BE ENFORCEABLE.

Borrower hereby acknowledges receipt of a copy of this Amendment.

BARRETT BUSINESS SERVICES, INC.	FIRST INTERSTATE BANK OF OREGON, N.A.
By /s/ Jack D. Williamson, Jr.	By /s/ Larry Ellis
Title Secretary/Treasurer	Title AVP

May 31, 1994

OPTIONAL ADVANCE NOTE

On May 31, 1995, the undersigned promises to pay in lawful money of the United States of America, to the order of FIRST INTERSTATE BANK OF OREGON, N.A. ("Bank"), at its Oregon Corporate Division ("OCD"), 1300 S.W. Fifth Avenue, P.O. Box 3131, Portland, Oregon 97208, the principal sum of Four Million and No/100 Dollars ($4,000,000.00), or so much thereof as shall have been advanced by Bank to undersigned and not repaid, together with interest thereon from the date of such advance.

This Note is given to avoid the execution by undersigned of an individual note for each advance by Bank to undersigned. In consideration thereof, undersigned agrees that Bank's record entries of transactions pursuant to this Note, together with Bank's written advice of charges, shall be conclusive evidence of borrowings, charges, and payments made pursuant hereto.

Interest shall accrue on the daily outstanding principal owing hereon at the per annum rate of Bank's Prime Rate of interest in effect from time to time. Bank's Prime Rate refers to Bank's publicly announced prime rate which is a base rate used to price some loans. It may not be the lowest rate at which Bank makes any loan. Each change in said rate is to become effective on the effective date of each change announced by Bank. Interest shall be computed on the basis of a 365-day year or 366-day year, as applicable, and actual days elapsed.

Interest shall be payable on the last business day of each month, beginning June 30, 1994, based on the daily outstanding unpaid principal balances during the preceding month. The unpaid balance of this obligation at any time shall be the aggregate amount advanced hereunder, plus accrued interest, less the amount of payments made hereon by or for the undersigned.

Advances hereunder may be made by Bank at the oral or written request of William W. Sherertz or Jack Williamson, who are each authorized to request advances until written notice of the revocation of such authority is received by Bank at its OCD. Any such advances or advances made by Bank in the good faith belief that William W. Sherertz or Jack Williamson made such request, shall be conclusively presumed to have been made to or for the benefit of undersigned when such amounts are deposited to the credit of account number 003 0181390 of undersigned at Bank's Head Office Branch ("Branch"), regardless of the fact that persons other than those authorized hereunder may have authority to draw against such account or may have made such requests.

Payment of interest hereunder shall be made when due. Bank is hereby authorized to charge undersigned's account number 003 0181390 for the amount of interest due on the due dates. Repayments of principal shall be made by charging undersigned's account number 003 0181390 at the oral or written request of William W. Sherertz or Jack Williamson. Bank shall send undersigned an advice of any such charges when made.

All communications, instructions or directions by telephone or otherwise to Bank are to be directed to Bank's OCD.

Upon the occurrence of an Event of Default (as defined in the Loan Agreement), then, at the option of the holder of this Note, without prior notice, the entire indebtedness represented hereby shall immediately become due and payable. Failure or delay of the holder to exercise this option shall not constitute a waiver of the right to exercise the same in the event of subsequent default, or in the event of continuance of any existing default after demand for the performance of the terms hereof.

Undersigned shall pay upon demand any and all expenses, including reasonable attorneys fees, incurred or paid by the holder of this Note without suit or action in attempting to collect funds due under this Note. In any suit or action instituted for the collection of any sums due hereunder, the prevailing party shall be entitled to recover such sum as the court may adjudge reasonable for its attorneys fees, both in the trial court and any appellate court.

This Note is subject to the terms and conditions of that certain loan agreement dated August 12, 1993, between the undersigned and Bank, as amended from time to time ("Loan Agreement").

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY THE 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 THE BANK TO BE ENFORCEABLE. UNDERSIGNED HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE.

BARRETT BUSINESS SERVICES, INC.

By /s/ Jack D. Williamson, Jr.

Title Secretary/Treasurer

EXHIBIT 11

BARRETT BUSINESS SERVICES, INC.
STATEMENT SHOWING CALCULATION OF AVERAGE
COMMON SHARES OUTSTANDING

<TABLE>
<CAPTION>

<S>	Three Months Ended June 30, 1994 <C>	Six Months Ended June 30, 1994 <C>
Primary Earnings Per Share:		
Weighted average number of shares	6,328,000	6,321,238
Stock option plan shares to be issued at prices of $3.50 to $13.563 per share	370,527	314,707
Warrant issues at a price of $4.20 per share	200,000	200,000
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	(276,452)	(255,595)
Total Primary Shares	6,622,075	6,580,350
Fully Diluted Earnings Per Share:		
Weighted average number of shares	6,328,000	6,321,238
Stock option plan shares to be issued at a price of $3.50 to $13.563 per share	370,527	314,707
Warrant issues at a price of $4.20 per share	200,000	200,000
Less:Assumed purchase at the higher of ending or 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	(276,452)	(255,595)
Total Diluted Shares	6,622,075	6,580,350

Note:As the effect of common stock equivalents upon the weighted average common stock earnings per share calculation is greater than 3%, earnings per share are based on the weighted average number of common stock and common stock equivalents outstanding during the period.

</TABLE>

EXHIBIT 99

BARRETT BUSINESS SERVICES, INC.
DESCRIPTION OF CAPITAL STOCK

Barrett Business Services, Inc. (the "Company"), is authorized to issue 500,000 shares of Preferred Stock, $.01 par value, issuable in series and 20,500,000 shares of Common Stock, $.01 par value.

Common Stock

Voting Rights. Shares of Common Stock are entitled to one vote per share. Voting for directors is not cumulative. The affirmative vote of a majority of the outstanding shares of the voting capital stock of the Company is required for the removal of a member of the Board of Directors.

Dividends. Holders of Common Stock are entitled to dividends when, as and if declared by the Board of Directors out of funds legally available therefor (subject to the rights of holders of any preferred stock).

Liquidation Rights. Upon liquidation of the Company, after payment or provision for all liabilities and payment of any preferential amount in respect of Preferred Stock, holders of Common Stock are entitled to receive liquidating distributions of any remaining assets on a pro rata basis.

Other. Common Stock is not convertible into any other class of security, is not entitled to the benefit of any sinking fund provision and does not have any preemptive rights. All outstanding shares of Common Stock are fully paid and nonassessable.

Preferred Stock

The Board of Directors of the Company is authorized to issue Preferred Stock in one or more series, and to determine the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, and terms or conditions of redemption of each series without any vote or action of the stockholders of the Company. The issuance of Preferred Stock in certain circumstances may have the effect of delaying or preventing a change in control of the Company. The issuance of Preferred Stock with voting and conversion rights may adversely affect the voting power of the holders of Common Stock.

Anti-Takeover Provisions

The Company's Charter and bylaws contain provisions that may have the effect of discouraging, delaying or preventing a change in control of the Company. Under these provisions, (i) the Board of Directors has the authority to issue up to 500,000 shares of Preferred Stock, with such rights and preferences, including voting rights, as it may establish, without further approval by the Company's stockholders and (ii) the power to adopt, alter or repeal the Company's bylaws is vested solely in the Board of Directors.

Maryland Control Share and Business Combination Statutes

The Company is subject to the Maryland control share act (the "Control Share Act"). Under the Control Share Act, a person (an "Acquiring Person") who acquires voting stock in a transaction (a "Control Share Acquisition") which results in its holding voting power within specified ranges cannot vote the shares it acquires in the Control Share Acquisition ("control shares") unless voting rights are accorded to such control shares by the holders of two-thirds of the outstanding voting shares, excluding the Acquiring Person and the Company's officers and inside directors. The term Acquiring Person is broadly defined to include persons acting as a group.

An Acquiring Person may, but is not required to, submit to the Company an "Acquiring Person Statement" which delineates certain information about the Acquiring Person and its plans for acquiring the Company's stock and request the Company to call a special meeting of stockholders to act on the question of its voting rights.

If an Acquiring Person Statement is not delivered to the Company within ten days after a Control Share Acquisition or if the control shares are not accorded voting rights, the Company will have the right, subject to certain conditions, to redeem the control shares at fair value determined without regard to the absence of voting rights. If an Acquiring Person's control shares are accorded voting rights and its shares represent a majority or more of all voting power, all stockholders of the Company, other than the Acquiring Person, will have the right to receive "fair value" for their shares, which may not be less than the highest price paid per share by the Acquiring Person for its shares in the Control Share Acquisition.

The Company is also subject to the provisions of the Maryland General Corporation Law limiting the ability of certain Maryland corporations to engage in specified business combinations. Subject to certain exceptions, such provisions prohibit a Maryland corporation from engaging in a business combination with a stockholder who, with its affiliates, owns 10% or more of the corporation's voting stock (an "Interested Stockholder") unless (i) the corporation's board of directors recommends the combination, (ii) stockholders holding 80% of the voting stock approve the business combination, and (iii) stockholders holding two-thirds of the voting stock not owned by the Interested Stockholder approve the business combination. In addition, an Interested Stockholder may not engage in a business combination with the corporation for a period of five years following the date he becomes an Interested Stockholder. "Business combination" is defined to include any merger with, any transfer of assets to, the provision of financial assistance to, and certain transactions involving the issuance of shares to, the Interested Stockholder. These provisions do not apply, however, to business combinations that are approved or exempted by the corporation's board of directors before the stockholder became an Interested Stockholder.