

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-K/A

Amendment No. 1

FOR ANNUAL AND TRANSITION REPORTS  
PURSUANT TO SECTIONS 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

(MARK ONE)

ANNUAL REPORT PURSUANT TO SECTION 13 ON 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

OR

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

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NO. 0-18492

TEAMSTAFF, INC.

(Exact name of registrant as specified in its charter)

NEW JERSEY  
(State or other jurisdiction of  
incorporation or organization)

22-1899798  
(I.R.S. Employer  
Identification No.)

300 ATRIUM DRIVE, SOMERSET, NEW JERSEY  
(Address of principal executive offices)

08873  
(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE (732) 748-1700  
SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
NONE	

[Cover Page 1 of 2 Pages]

1

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

COMMON STOCK, \$.001 PAR VALUE PER SHARE  
(Title of class)

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  No

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act)

Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

At the close of our second quarter, March 31, 2004, the aggregate market value of the voting stock of TeamStaff, Inc. (consisting of Common Stock, \$.001 par value per share) held by non-affiliates of the Registrant was approximately \$22,545,000 based upon the closing sales price of \$2.26 for such Common Stock on March 31, 2004 as reported by Nasdaq National Market. At the close of our fiscal year, September 30, 2004, the aggregate market value of the voting stock of TeamStaff, Inc. (consisting of Common Stock, \$.001 par value per share) held by non-affiliates of the Registrant was approximately \$18,163,000 based upon the closing sales price of \$2.30 for such Common Stock on said date as reported on the Nasdaq National Market. On December 15, 2004 there were 18,106,229 shares outstanding of Common Stock of the Registrant.

DOCUMENTS INCORPORATED BY REFERENCE

None

[Cover Page 2 of 2 Pages]

2

## EXPLANATORY NOTE

This amendment on Form 10-K/A amends TeamStaff, Inc.'s annual report on Form 10-K for the fiscal year ended September 30, 2004, as initially filed with the Securities and Exchange Commission on December 23, 2004, and is being filed to correct certain typographical errors to the Cover Page, Part II, Item 5D and Part III, Item 12 that resulted from the omission from the number of shares outstanding on December 15, 2004, of 2,392,000 shares of Common Stock issued to several accredited investors as a result of the private sale under Section 4(2) of the Securities Act of 1933 and/or Regulation D that closed on Wednesday, November 10, 2004.

The audited financial statements included as part of the original Form 10-K filing are not affected by the omission. This amendment is not intended to update any other information presented in the annual report as originally filed.

We are filing only Item 5 and Item 12 (and also correcting the number of shares appearing on the Cover Page) to reflect the correct number of shares outstanding on December 15, 2004.

### ITEM 5. MARKET OF AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS (AS AMENDED)

#### A. Principal Market

TeamStaff's Common Stock is traded in the over-the-counter market and included in the National Market System of the National Association of Securities Dealers, Inc. ("Nasdaq") under the symbol "TSTF." TeamStaff started trading on the National Market in June 2001. Prior to that date, TeamStaff was trading on the SmallCap market system.

#### B. Market Information

The range of high and low sales prices for TeamStaff's Common Stock for the periods indicated below are:

##### Common Stock

<u>FISCAL YEAR 2002</u>	<u>HIGH</u>	<u>LOW</u>
1st Quarter	7.49	5.16
2nd Quarter	6.35	3.88
3rd Quarter	6.85	4.60
4th Quarter	7.64	2.66
<u>FISCAL YEAR 2003</u>	<u>HIGH</u>	<u>LOW</u>
1st Quarter	4.05	2.47
2nd Quarter	3.62	2.48
3rd Quarter	3.09	2.00
4th Quarter	2.70	2.01
<u>FISCAL YEAR 2004</u>	<u>HIGH</u>	<u>LOW</u>
1st Quarter	4.80	1.86
2nd Quarter	2.83	1.97
3rd Quarter	2.46	1.97
4th Quarter	2.94	1.95

The above quotations, reported by Nasdaq, represent prices between dealers and do not include retail mark-ups, markdowns or commissions. Such quotations do not necessarily represent actual transactions. On December 15, 2004, TeamStaff's Common Stock had a closing price of \$1.81 per share.

#### C. Dividends

TeamStaff has not declared any cash dividends on its common stock since inception, and has no present intention of paying any cash dividends on its common stock in the foreseeable future.

#### D. Approximate Number of Equity Security Holders

Effective August 31, 2001, TeamStaff acquired all of the capital stock of BrightLane. As contemplated under the agreements governing the transaction, TeamStaff agreed to issue 8,216,522 shares of its Common Stock in exchange for all of the outstanding capital stock of BrightLane. The issuance of 8,216,522 shares includes the issuance of 158,000 shares into escrow to provide for potential indemnification to TeamStaff for claims against Brightlane covered by the acquisition agreements and is before deduction for fractional shares, which were paid in cash. As of December 10, 2004, not all of the BrightLane shareholders had submitted their capital stock for exchange.

As of December 15, 2004, there were 18,106,229 shares outstanding held of record by 301 persons. TeamStaff believes it has approximately 2,200 beneficial owners of its common stock.

#### E. Securities Authorized for Issuance Under Equity Compensation Plans

TeamStaff has five equity compensation plans, all of which were approved by its Board of Directors and its shareholders. There are no equity based plans, which have not been approved by shareholders. All option grants made to executive officers and directors, including those to the Chief Executive Officer under employment agreements, are made under the plans referenced below. The stock option plans under which options are outstanding are:

- The 1990 Employee Stock Option Plan
- The 1990 Non-Executive Director Option Plan
- The 1990 Senior Management Plan
- The 2000 Employee Stock Option Plan
- The 2000 Non-Executive Director Option Plan

Options are no longer being issued under the 1990 Employee Stock Option Plan, the 1990 Non-Executive Director Option Plan or the 1990 Senior Management Plan and no options were issued under these plans during the fiscal years ended September 30, 2004 or 2003.

#### Equity Compensation Plan Information

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights	Weighed Average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuances under equity compensation plans (excluding securities reflected in column (a))
Equity Compensation Plans Approved by Security Holders	1,319,742*	\$3.31	491,687 (1)
Equity Compensation Plans Not Approved by Security Holders	0	0	0

\* Subsequent to September 30, 2004, TeamStaff granted options to purchase 50,000 shares of common stock to Nursing Innovations division President W. Lee Booth, options to purchase 100,000 shares of common stock to TeamStaff President and CEO T. Kent Smith, and options to purchase 30,000 shares of common stock to other TeamStaff management personnel, which are reflected above. Subsequent to September 30, 2004, 87,199 options expired and are not included in the above calculation.

(1) Number of securities remaining available for future issuance under the 2000 Employee Stock Option Plan. An additional 5,000 shares per year per non-executive director are granted under the Non-Executive Director Plan.

4

#### Registrant Repurchases of Securities

During the quarter ended September 30, 2004, TeamStaff did not repurchase any of its securities.

#### ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT (AS AMENDED)

The following table sets forth certain information as of December 15, 2004 with respect to each director, each of the named executive officers as defined in Item 402(a)(3), and directors and executive officers of TeamStaff as a group, and to the persons known by TeamStaff to be the beneficial owner of more than five percent of any class of TeamStaff's voting securities. At December 15, 2004, TeamStaff had 18,106,229 shares of common stock outstanding.

Name of Shareholder	Number of Shares Currently Owned (1)	Percent of Company's Outstanding Stock
Martin J. Delaney (2) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	72,235	0.4%
Karl W. Dieckmann (3) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	105,924	0.6%
Ben J. Dyer (4) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	27,526	0.2%
Rick J. Filippelli (5) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	25,000	0.1%
T. Stephen Johnson (6) C/o T. Stephen Johnson & Associates, Inc. 3650 Mansell Road, Suite 200 Alpharetta, GA 30022	279,011	1.5%
Edmund Kenealy (7) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	69,816	0.4%
Rocco Marano (8) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	33,857	0.2%
Timothy Nieman (9) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	25,000	0.1%

5

Name of Shareholder	Number of Shares Currently Owned (1)	Percent of Company's Outstanding Stock
T. Kent Smith (10) C/o TeamStaff, Inc. 300 Atrium Drive Somerset, NJ 08873	200,000	1.1%
Wachovia Corp (11) One First Union Center Charlotte, NC 28288	2,822,417	15.6%
Nationwide Financial Services (12) One Nationwide Plaza Mail Stop 01-12-13 Columbus, OH 43215	2,256,488	12.5%
Wynnefield Capital Management, LLC (13) 450 Seventh Ave New York, NY 10123	1,675,875	9.2%
Wynnefield Capital Inc. (14) 450 Seventh Ave New York NY 10123	559,625	3.1%
Grace Brothers, Ltd. (15) 1560 Sherman Ave Ste 900 Evanston, IL	937,500	5.1%
Hummingbird Management, LLC (16) 460 Park Ave, 12 <sup>th</sup> Floor New York, NY 10022	1,335,110	7.3%
All officers and directors as a group (9) persons (2,3,4,5,6,7,8,9,10)	838,369	4.5%

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- (1) Ownership consists of sole voting and investment power except as otherwise noted.
- (2) Includes options to purchase 20,000 shares of TeamStaff's common stock and excludes unvested options to purchase 5,000 shares of TeamStaff's common stock. Also includes warrants to purchase 10,000 shares of TeamStaff's common stock.
- (3) Includes options to purchase 20,000 shares of TeamStaff's common stock and excludes unvested options to purchase 5,000 shares of TeamStaff's common stock.
- (4) Includes options to purchase 10,000 shares of TeamStaff's common stock and excludes unvested options to purchase 5,000 shares of TeamStaff's common stock.
- (5) Excludes unvested options to purchase 75,000 shares of TeamStaff's common stock.
- (6) Includes an aggregate of 147,790 shares owned by or on behalf of certain of the holder's family members and as to which shares the listed holder expressly disclaims beneficial ownership. Includes options to purchase 15,000 shares of TeamStaff's common stock, and excludes unvested options to purchase 5,000 shares of TeamStaff's common stock.
- (7) Includes options to purchase 60,000 shares of TeamStaff's common stock and excludes unvested options to purchase 50,000 shares of TeamStaff's common stock.
- (8) Includes warrants to purchase 2,000 shares of TeamStaff's common stock, options to purchase 10,000 shares of TeamStaff's common stock and excludes unvested options to purchase 5,000 shares of TeamStaff's common stock.
- 6
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- (9) Includes options to purchase 25,000 shares of TeamStaff's common stock and excludes unvested options to purchase 25,000 shares of TeamStaff's common stock.
- (10) Includes options to purchase 200,000 shares of TeamStaff's common stock and excludes unvested options to purchase 200,000 shares of TeamStaff's common stock.
- (11) Wachovia Corporation obtained these shares in connection with the acquisition of BrightLane completed as of August 31, 2001.
- (12) Nationwide Financial Services obtained these shares in connection with the acquisition of BrightLane completed as of August 31, 2001.
- (13) Beneficial ownership is based upon Schedule 13G, Schedule 13G/A, Form 3, and Form 4's filed with the Securities and Exchange Commission.
- (14) Beneficial ownership is based upon Schedule 13G, Schedule 13G/A, Form 3, and Form 4's filed with the Securities and Exchange Commission.
- (15) Based on information provided to TeamStaff by the shareholder.
- (16) Beneficial ownership is based upon Schedule 13D filed with the Securities and Exchange Commission.

**ITEM 15. EXHIBITS**

The exhibits designated with an asterisk (\*) are filed herewith.

- 31.1\* —Certification of Chief Executive Officer pursuant to Section 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a)
- 31.2\* —Certification of Chief Financial Officer pursuant to Section 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a)
- 32.1\* —Certification of Chief Executive Officer and Chief Financial Officer pursuant to 17 CFR 240.13a-14(b) or 17 CFR 240.15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code

7

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**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Amended Report to be signed on its behalf by the undersigned, thereunto duly authorized.

TEAMSTAFF, INC.

/s/ T. Kent Smith

T. Kent Smith  
President and Chief Executive Officer

/s/ Rick Filippelli

Rick Filippelli  
Vice President, Finance and Chief Financial Officer

Dated: January 10, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934, this Amended Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>/s/ T. Stephen Johnson</u> T. Stephen Johnson	Chairman of the Board	January 10, 2005
<u>/s/ Karl W. Dieckmann</u> Karl W. Dieckmann	Vice-Chairman of the Board	January 10, 2005
<u>/s/ Martin J. Delaney</u> Martin J. Delaney	Director	January 10, 2005
<u>/s/ Ben J. Dyer</u> Ben J. Dyer	Director	January 10, 2005
<u>/s/ Rocco Marano</u> Rocco Marano	Director	January 10, 2005
<u>/s/ T. Kent Smith</u> T. Kent Smith	President, Chief Executive Officer and Director	January 10, 2005

8

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**CERTIFICATIONS**

I, T. Kent Smith, certify that:

1. I have reviewed this amendment to annual report on Form 10-K/A of TeamStaff, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) 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 registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to 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: January 10, 2005

/s/ T. Kent Smith  
T. Kent Smith  
President and Chief Executive Officer

**CERTIFICATIONS**

I, Rick J. Filippelli, certify that:

1. I have reviewed this amendment to annual report on Form 10-K/A of TeamStaff, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) 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 registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to 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: January 10, 2005

/s/ Rick J. Filippelli

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Rick J. Filippelli  
Vice President, Finance and 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 this amendment to the Fiscal Year End Report of TeamStaff, Inc (the Company) on Form 10-K/A for the period ending September 30, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, being, T. Kent Smith, Chief Executive Officer of the Company, and Rick J. Filippelli, Chief Financial Officer of the Company, respectfully, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: January 10, 2005

/s/ T. Kent Smith  
Chief Executive Officer

/s/ Rick J. Filippelli  
Chief Financial Officer