
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 1, 2010

TeamStaff, Inc.

(Exact name of registrant as specified in its charter)

New Jersey

(State or other Jurisdiction of
Incorporation)

0-18492

(Commission File Number)

22-1899798

(IRS Employer Identification No.)

**1 Executive Drive
Somerset, NJ**

(Address of Principal Executive Offices)

08873

(Zip Code)

Registrant's telephone number, including area code: **(866) 352-5304**

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 3.02 Unregistered Sales of Equity Securities.

To the extent required by Item 3.02 of the Current Report on Form 8-K, the information required to be disclosed in this Item 3.02 concerning the grant of stock options to Mr. John F. Armstrong is incorporated herein by reference from Item 5.02.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On December 1, 2010, TeamStaff, Inc. (the "Company" or "TeamStaff") named John F. Armstrong as its Executive Vice President of Corporate Development, effective immediately. On December 3, 2010, the Company issued a press release announcing this matter, a copy of which is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Biographical Information.

John F. Armstrong. Mr. Armstrong joins TeamStaff with over three decades of in-depth experience both in the military and the defense industry (both public and private). Mr. Armstrong most recently served as director of the Sustainment and Health Services operation within Lockheed Martin Corporation from May 2008 to November 2010. Previously, from August 2002 to May 2008, he served as senior vice president of business development for Eagle Group International where he was instrumental in successfully growing the company to a competitive large business prior to being acquired by Lockheed Martin. Additionally, Mr. Armstrong served a distinguished career as an officer in the U.S. Army, retiring in 2002. He is a fellow in the American College of Healthcare Executives. Mr. Armstrong earned a Master of Business Administration degree from Marymount University, a Master of Arts from Ball State University and completed his undergraduate studies at the University of Central Florida. Mr. Armstrong is 61 years old.

There are no arrangements or understandings between Mr. Armstrong and any other persons pursuant to which he was appointed as the Executive Vice President of Corporate Development of the Company. There are no family relationships between Mr. Armstrong and any director, executive officer, or any person nominated or chosen by the Company to become a director or executive officer. No information is required to be disclosed with respect to Mr. Armstrong pursuant to Item 404(a) of Regulation S-K.

Employment Agreement

The following is a description of the terms of employment agreed upon by the Company and Mr. Armstrong.

- Mr. Armstrong's appointment as the Company's Executive Vice President of Corporate Development commenced December 1, 2010. Mr. Armstrong will receive an initial base salary of \$215,000 per annum.
- Mr. Armstrong may receive an annual bonus of up to 50% of base salary based on performance targets and other key objectives established by the Management Resources and Compensation Committee of the board of directors. Target bonus will be adjusted by 2% of base salary for every 1% of variance between targets and actual results and no bonus will be awarded if results are less than 90% of target and no bonus will exceed 70% of base salary. For the Company's 2011 fiscal year, \$40,000 of the potential bonus will be guaranteed provided Mr. Armstrong remains employed as of the date on which the bonus payment is made.
- The Company granted Mr. Armstrong options to purchase 250,000 shares of common stock under the Company's 2006 Long Term Incentive Plan (the "2006 Plan"). The options shall vest as follows: 50,000 options vest immediately; 100,000 options shall vest if the closing price of the Company's common stock equals or exceeds \$3.00 per share for ten consecutive trading days; an additional 50,000 options shall vest if the closing price of the Company's common stock equals or exceeds \$5.00 per share for ten consecutive trading days; and an additional 50,000 options shall vest if the closing price of the Company's common stock equals or exceeds \$7.00 per share for ten consecutive trading days. The options, to the extent vested, shall be exercisable for a period of ten years at the per share exercise price equal to the fair market value of the Company's common stock on the date his employment commenced.

The Company anticipates entering into a written employment agreement with Mr. Armstrong reflecting the above terms and conditions and including other provisions customary for such agreements.

Item 9.01 Financial Statements and Exhibits

The following exhibit is attached to this Form 8-K:

(d)	Exhibit Number	Exhibit Title or Description
	99.1	Press Release

SIGNATURE

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, hereunto duly authorized.

TeamStaff, Inc.

By: /s/ Zachary C. Parker
Name: Zachary C. Parker
Title: President and Chief Executive Officer
Date:

December 6, 2010

EXHIBIT INDEX

**Exhibit
Number**
99.1

Description

Press Release

TeamStaff, Inc. Appoints John F. Armstrong**as Executive Vice President of Corporate Development for TeamStaff Inc.**

SOMERSET, N.J., December 3, 2010 — TeamStaff, Inc., (Nasdaq: TSTF), a leading logistics and healthcare services provider to the US Government including the Departments of Defense and Veterans Affairs, is pleased to announce the appointment of John F. Armstrong as executive vice president of corporate development for TeamStaff.

Armstrong joins TeamStaff with over three decades of in-depth experience both in the military and the defense industry (both public and private). He will be responsible for strategic alliances, customer relationship management, business development, account management, communications and branding, strategic pipeline development and management for the corporation.

“John’s proven ability to develop strategic relationships, leverage his unique credentials, and create high performance growth results will be instrumental as we continue to expand our business in the federal and DoD logistics and healthcare markets,” said Zach Parker, TeamStaff president and CEO. “As a retired U.S Army Colonel (Medical Services Corps) with an impressive track record of growth in healthcare and logistics, John is a perfect fit with TeamStaff’s new strategic direction. He is well positioned in both our core and adjacent targeted customer markets and has already hit the ground running.”

Armstrong most recently served as director of the Sustainment and Health Services operation within Lockheed Martin Corporation which entailed growing and operating a \$245M business covering defense logistics and healthcare within the U.S. and abroad. Previously John served as senior vice president of business development for Eagle Group International where he was instrumental in successfully growing the company to a competitive large business (prior to being acquired by Lockheed Martin). Customers included Health and Human Services, Navy Medical Logistics Command, and U.S. Army Medical Department, U.S. Forces Command, Army Sustainment Command and federal organizations and agencies. Additionally, Armstrong served a distinguished career as an officer in the U.S. Army, retiring in 2002. He is a fellow in the American College of Healthcare Executives. John earned a Master of Business Administration degree from Marymount University, a Master of Arts from Ball State University and completed his undergraduate studies at the University of Central Florida. He will work from the TeamStaff Atlanta offices.

About TeamStaff, Inc.

TeamStaff serves clients and their employees throughout the United States as a full-service provider of logistics and healthcare support services. TeamStaff specializes in providing high quality healthcare, logistics, and technical services to Federal agencies and the Department of Defense. For more information, visit the TeamStaff web site at www.teamstaff.com or the TeamStaff Government Solutions site at www.teamstaffgs.com.

This press release contains "forward-looking statements" as defined by the federal securities laws and involve numerous risks and uncertainties. TeamStaff's actual results could differ materially from those described in such forward-looking statements as a result of such risks and uncertainties. For a discussion of such risks and uncertainties, see "Risk Factors" in the Company's periodic reports filed with the U.S. Securities Exchange Commission. The information in this release should be considered accurate only as of the date of the release.

CONTACTS:

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