

**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): **September 15, 2005**

**TeamStaff, Inc.**

(Exact name of registrant as specified in its charter)  
COMMISSION FILE NUMBER: **0-18492**

New Jersey  
(State or other jurisdiction of incorporation  
or organization)

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

300 Atrium Drive  
Somerset, NJ 08873  
(Address and zip code of principal executive offices)  
**(732) 748-1700**  
(Registrant's telephone number, including area code)

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 7: Regulation FD Disclosure.**

The slides and additional financial information attached as Exhibit 99.1 to this Form 8-K have been included in TeamStaff, Inc.'s annual shareholder meeting presentation as of September 15, 2005. At that time, these materials were also posted to the "Investor Relations" section of the registrant's website, [www.teamstaff.com](http://www.teamstaff.com).

The information in this report (including Exhibit 99.1) is furnished pursuant to Item 7 and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section.

The information in this report will not be deemed an admission as to the materiality of any information required to be disclosed solely to satisfy the requirements of Regulation FD.

The furnishing of these slides and additional financial information is not intended to, and does not, constitute a determination or admission by TeamStaff that the information in the slides is material or complete, or that investors should consider this information before making an investment decision with respect to any security of TeamStaff.

This Current Report on Form 8-K includes "forward-looking statements" as defined by the Federal Securities Laws. TeamStaff's actual results could differ materially from those described in such forward-looking statements as a result of certain risk factors, including but not limited to: (i) regulatory and tax developments; (ii) changes in direct costs and operating expenses; (iii) the estimated costs and effectiveness of capital projects and investments in technology infrastructure; (iv) ability to effectively implement its business strategies including, but not limited to, its new business strategy for its temporary medical staffing division, and operating efficiency initiatives; (v) the effectiveness of sales and marketing efforts, including TeamStaff's marketing arrangements with other companies; (vi) changes in the competitive environment in the temporary staffing, permanent placement and payroll processing industries; (vii) dependence upon key personnel; and (viii) other one-time events and other important factors disclosed previously and from time to time in TeamStaff's filings with the U.S. Securities and Exchange Commission. These forward-looking statements and assumptions reflect TeamStaff's current view with respect to future events and financial performance. These forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially from historical and anticipated results. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. TeamStaff undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For a discussion of certain factors that could cause actual results to differ materially from historical or anticipated results, see the registrant's Form 10-K for the year ended September 30, 2004 and Form 10-Q for quarters ended December 31, 2004, March 31, 2005 and June 30, 2005.

**Item 9: Financial Statements, Pro Forma Financial Information and Exhibits.**

- (a) Financial Statements.

None

(b) Pro Forma Financial Information.

None

(c) Exhibits.

The following exhibit is filed herewith:

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<u>Exhibit No.</u>	<u>Description</u>
99.1	Annual Shareholder Meeting Presentation

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**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/ James D. Houston

Name: James D. Houston

Title: Vice President of Business and Legal  
Affairs/General Counsel

Date: September 15, 2005

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Annual Shareholders Meeting  
September 15, 2005

NASDAQ: TSTF



Nursing Innovations<sup>sm</sup>  
A Division of TeamStaff Rx<sup>®</sup>

RS Staffing Services, Inc.



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## TeamStaff Board of Directors

**Chairman**, T. Stephen Johnson

**Vice-Chairman**, Karl W. Dieckmann

### Directors

Ron Aldrich

Peter Black

Martin J. Delaney

Ben Dyer

Rocco J. Marano

T. Kent Smith

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## TeamStaff Management

T. Kent Smith, President and CEO

Rick Filippelli, Vice President and CFO

Greg Haygood, Chief Technology Officer

James D. Houston, Vice President, General Counsel and Secretary

Peter Rosen, Vice President, Human Resources

Martin J. Delaney, Senior Vice-President

Timothy Nieman, Senior Vice-President

Cheryl Presuto, Controller

Kathleen Charles, General Manager, DSi Payroll Services, Inc.

Lee Booth, President, Nursing Innovations

Barry McDonald, President, TeamStaff Rx, Inc.

Roger Staggs, President, RS Staffing Services, Inc.

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## Agenda

1. Welcome and Introductions
2. Company Overview & Vision
3. RS Staffing Acquisition
4. Overview of Brands
5. Healthcare Staffing Industry Trends
6. The Turnaround Process
7. Financials
8. Summary

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## ***Forward-Looking Statements***

***This presentation contains "forward-looking statements" as defined by the Federal Securities Laws. TeamStaff's actual results could differ materially from those described***

in such forward-looking statements as a result of certain risk factors, including but not limited to: (i) regulatory and tax developments; (ii) changes in direct costs and operating expenses; (iii) the estimated costs and effectiveness of capital projects and investments in technology infrastructure; (iv) ability to effectively implement its business strategies including, but not limited to, its new business and acquisition strategy for its temporary medical staffing division, and operating efficiency initiatives; (v) the effectiveness of sales and marketing efforts, including TeamStaff's marketing arrangements with other companies; (vi) changes in the competitive environment in the temporary staffing, permanent placement and payroll processing industries; (vii) dependence upon key personnel; and (viii) other one-time events and other important factors disclosed previously and from time to time in TeamStaff's filings with the U.S. Securities and Exchange Commission. These factors are described in further detail in TeamStaff's filings with the U.S. Securities and Exchange Commission.

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## Overview of TeamStaff, Inc. Brands

### Healthcare Staffing Services Brands:



Nursing Innovations<sup>sm</sup>  
A Division of TeamStaff Rx®



### Payroll Services:



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## Company Vision: Reposition TeamStaff As A Top Dozen '1-Stop Shop' Healthcare Staffing Provider To The Commercial & Govt. Sectors

[Service Offering](#)

[Allied Health/Pharmacy](#)

[Nurse](#)

**Travel**  
**(13-week contract)**

Nursing Innovations<sup>sm</sup>  
A Division of TeamStaff Rx®

**Per Diem**  
**(daily/wkly)**

Nursing Innovations<sup>sm</sup>  
A Division of TeamStaff Rx®

Vendor/Facilities  
Management (3-5  
Year Contracts)

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## The Acquisition of RS Staffing Has Doubled Our Size, Entry Into The Growing Govt. Sector, a Pharmacy offering, and Access To A \$7 Million Credit Line with PNC

### TeamStaff

- FY04 TSTF revenue \$37m
- FY04 TSTF loss from continuing operations \$(1.8)m
- FY05 TSTF six month loss from continuing operations (\$1.0)m
- 3/31/05 identified approximately \$1.0m additional overhead cuts
- No significant debt

### RS Staffing

- \$10m stock purchase:  
-\$3.25m cash+\$6.75m  
note/stock/earn out
- FY04 RSS revenue \$41m
- FY04 \$0.9 million pre-tax income  
including \$1.2 million of non  
recurring expenses

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## Overview of

Revenues of \$27.5 million for TTM ended June 30, 2005

A Leading National Provider of Allied 'Travel' Health Personnel and Permanent Placement

Focus on specialty areas that are critical for hospital—radiological techs, cardiovascular techs, ultrasound techs, radiation therapists, nuclear medicine techs, physicists, MRI techs, etc.

Currently have a database of over 12,000 allied healthcare personnel

Healthcare Personnel Are Typically Placed on 13-week Assignments

Hospitals pay for housing, car and travel

Travelers receive full benefits, e.g., healthcare, 401(k), etc.

Current Client Base Includes over 400 Healthcare Facilities

## Overview of



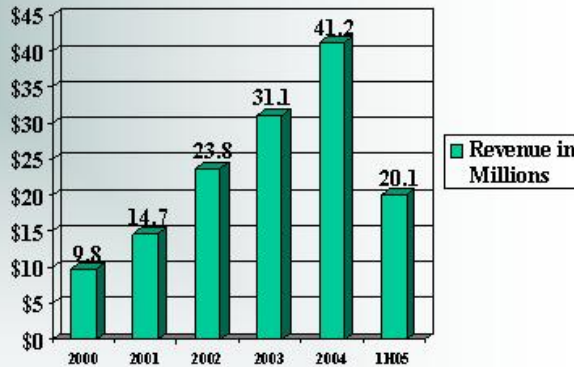
Nursing Innovations  
 A Division of TeamStaff Rx ®

- Annualized Revenues of \$14 million
- Voted a “Top Ten” Nurse Travel Company by *Highway Hypodermics* in 2004
  - Provides RN’s, LPN’s, Med Surgical, Cardiac Cath, ER and OR Nurses
  - Currently has a database of over 5,000 nurses
  - Nurses are typically placed on 13-week assignments nationally
- Additionally Provides Nurse Per Diem--daily & weekly shifts, with Memphis & New Orleans branch locations
- Assets Acquired November 2004
- Currently serves over 40 Healthcare Facilities

## Overview of



- \$41 million in Revenues for FYE December 31, 2004
- Adjusted (owner takeouts) Pre-Tax Income of approximately \$2.0 million for FYE 2004
- Healthcare and Clerical Provided to the Government – VA & GSA (Government Services Administration)
- Government contracts are typically awarded for 3-5 years, helping to offset the cyclical nature of current healthcare staffing brands
- Provides full range of staffing- travel, per diem – daily & weekly shifts, permanent placement and facilities management via teaming partners



## Overview of



- \$4.5 million in Revenues for TTM ended June 30, 2005
- Operating margins approximately 40%
- Steady source of cash flow
- Niche Payroll and Tax Reporting Service for the Construction Industry
- Serves the Tri-State area--New York, New Jersey and Connecticut
- Provides customized union reporting and Certified Payrolls
- Founded in 1969

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## Company Developments: The Turnaround

- **Built New & Experienced Leadership Team**
  - General Staffing and Healthcare Staffing Industry Experience
  - Public Company/Executive Management Experience
- **Sold PEO to Gevity in November 2003**
  - PEO Was Low Margin, Capital Intensive Business
  - Provided Capital to Focus on Core Healthcare Staffing Business
- **Reduced Corporate Overhead Costs**
  - Cut \$3.5 million in Annualized Costs in FYE 2004
  - Streamlined \$1.0m in Additional Annualized Rx & Corporate Overhead in 3Q 2005

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## Company Vision: Reposition TeamStaff As A



# Top Dozen '1-Stop Stop' Healthcare Staffing Provider To The Commercial & Govt. Sectors

## Successful Equity Raise to Initiate Acquisitions

\$4 Million "Pipe" Offering Completed November 2004

- **Made Two Acquisitions To Improve Company Scale & Market Position to the Healthcare Providers**
  - Bought \$14 Million Revenue Travel Nurse Company in November 2004
  - Bought \$41 million Healthcare Provider to the Government
  - Provide Company with a Broader Product Offering for the Hospitals
  - Reduce cyclicalty by entering Government segments with long term contracts

## Achieving Competitive Differentiation

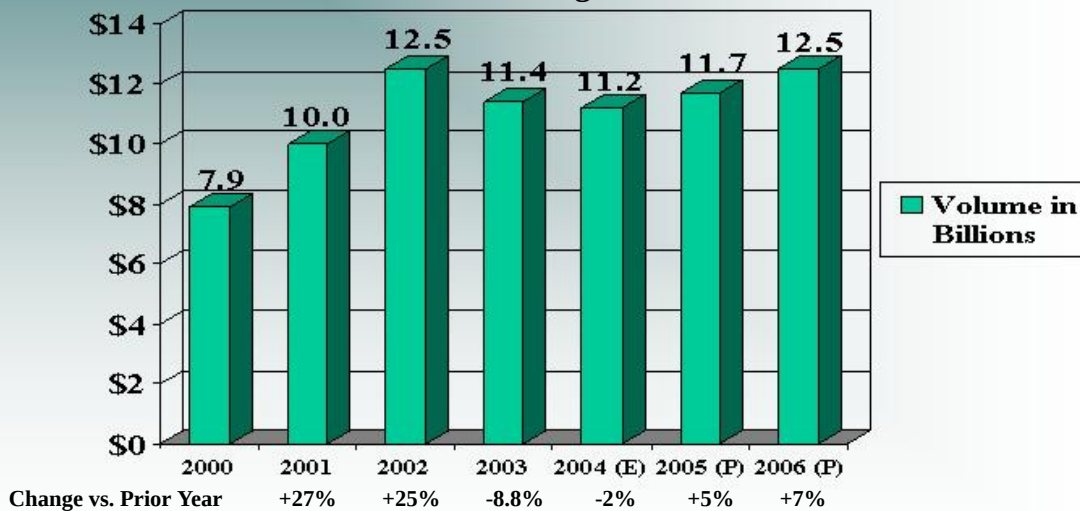
- Built a regional relationship selling model in addition to the traditional telemarketers to call on key hospital decision makers
- Provide vendor & facilities management capability to government & hospitals

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## Industry Overview: Past 30 months have Been "Stormy," but Analysts forecast Rebound in 2<sup>nd</sup> Half of CY2005

U.S. Healthcare Staffing Market



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Source: Staffing Industry Analysts, Inc. estimates and projections 15

## Industry Overview: Attractive Future Dynamics

US Population Is Aging

US Population over 65 Is Expected to Increase by over 14% by 2010

Creates Substantial Increase in Demand for Healthcare Services

## Projected Need for Nurses is Rising

Legislative Mandates

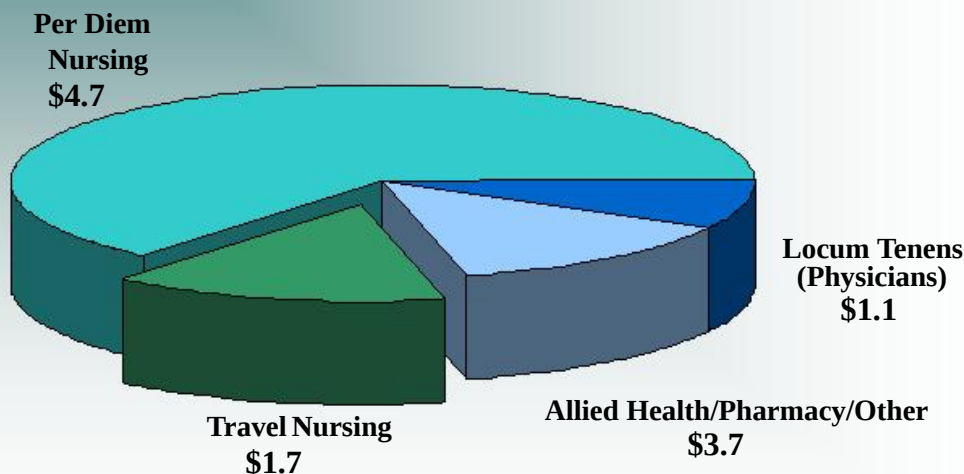
- 6 of 10 Fastest Growing Occupations Are in Healthcare
  - US Born Nurses Sitting for License Exams Down by 19,000 Since 1995
  - Average Age of Nurse is 41, Up from 36 in 1980
  - American Hospital Association (“AHA”) Estimates Currently 126,000 Open RN Positions
  - AHA Projects Shortage May Grow to 800,000 by 2020

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## Industry Overview:

**TeamStaff Rx Participates in Three High-Margin Healthcare Staffing Industry Segments of a \$11.2 billion Industry\***



\*Source: Staffing Industry Analysts, Inc. estimates and projections

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## **There Are Three Major Healthcare Staffing Industry Trends, Repeating The 1990s Staffing History In the Clerical, Light Industrial & Accounting Segments**

### **Vendor Consolidation**

41% of Healthcare Organizations Plan to Consolidate Vendors

Hospitals currently narrowing to about 10

### **One-Stop Shopping**

Nursing providers adding Allied/Pharmacy/Other Travel providers adding ‘Per Diem’, and vice versa Providers adding Permanent Placement and

### **Industry Consolidation**

Acquisitions for additional service offerings to create One-Stop Shop Acquisitions to build scale Acquisitions to realize Top 5/10/20 industry size

healthcare providers  
Eventually hospitals will  
narrow to 3-5 Providers  
Timeframe over 2-4 years

Vendor/Facilities  
Management capabilities

objectives

<p>Larger, quality providers will survive &amp; benefit, while the smaller vendors will go away or sell</p> <p>CONFIDENTIAL</p>	<p>Acquisitions necessary to broaden offering to a 'full service provider'</p> <p>18</p>	<p>Roll-up potential TSTF could be purchased</p>
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## Trailing Twelve Month Income Statement Period Ended 6/30/05 (unaudited)

(\$ in Thousands)	Proforma					
	TeamStaff	RS Staffing	Total	Adjustments	Synergies	Combined
Total Revenues	\$ 40,716	\$ 43,453	\$ 84,169			\$ 84,169
Cost of Revenues	30,853	37,370	68,223		(435)	67,788
Gross Profit	9,863	6,083	15,947		435	16,381
SG&A Exp, Total	12,620	5,125	17,745	(1,396)	(312)	16,037
Depreciation & Amort., Total	538	138	677			677
Other Operating Expense/(Income)		312	312			312
Other Operating Exp., Total	13,158	5,576	18,734	(1,396)	(312)	17,026
Operating Income/(Loss)	(3,295)	507	(2,787)	1,396	747	(645)
Interest Expense	86	157	244	327		571
Interest and Invest. Income	(247)	16	(230)			(230)
Net Interest Expense	(161)	174	13	327		340
Pretax Income (Loss)	(3,134)	334	(2,801)	1,069	747	(985)
Income Tax Expense (Benefit)	(1,127)	17	(1,111)	488	269	(354)
Net Income/(Loss) from Cont. Ops.	\$ (2,007)	\$ 317	\$ (1,690)	\$ 581	\$ 478	\$ (631)
EPS	\$ (0.11)					\$ (0.03)
EBITDA	\$ (2,757)	\$ 646	\$ (2,111)			\$ 32

A reconciliation on non-GAAP measurements and further adjustment detail is available following page 22 of this presentation

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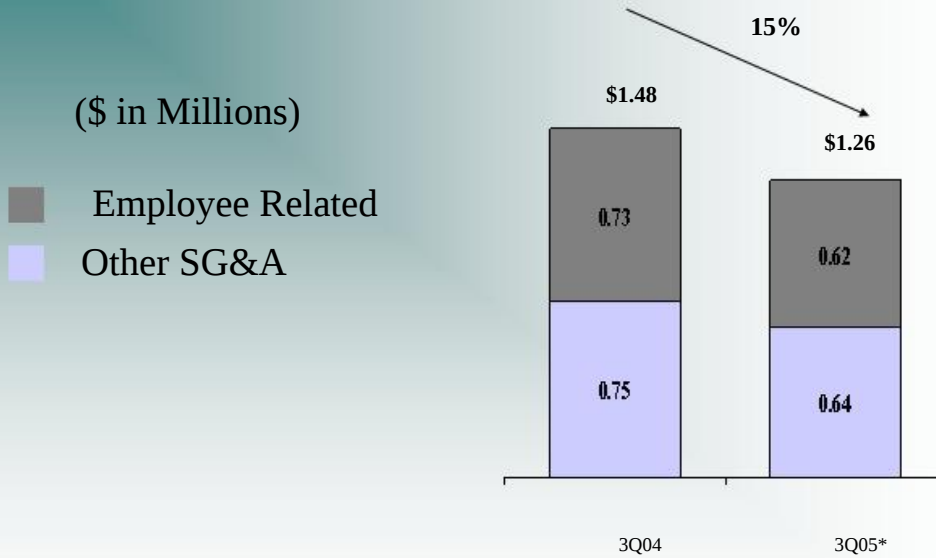
## Balance Sheet

(\$ in Thousands)	(unaudited)	
Assets		
Current Assets:		
Cash and cash equivalents	\$ 1,994	\$ 3,060
Restricted cash	-	1,800
Accounts receivable	9,381	3,013
Deferred tax asset	570	90
Prepaid workers compensation	1,071	1,000
Other current assets	998	1,267
Total current assets	14,014	10,230
Equipment and improvements, net	1,369	917
Deferred tax asset, net of current portion	17,902	16,723
Tradename	4,199	4,199
Goodwill	10,129	1,710
Prepaid workers compensation, net of current	2,600	3,341
Other assets	449	309
Total assets	\$ 50,662	\$ 37,429
Liabilities and shareholders' equity		
Current liabilities:		
Current portion of LTD	\$ 172	\$ 112
Notes payable	1,665	-
Bank Line of Credit	4,240	-
Accrued workers' compensation	2,050	1,626
Accrued Payroll	1,948	782
Accrued Pension Liability	389	588
Accounts Payable	1,445	731
Accrued Expenses & other liabilities	1,457	770
Total current liabilities	13,366	4,609

Long-term debt, net of current portion	1,757	24
Accrued Pension Liability	642	840
Liabilities from Uninsured Operations	533	663
[REDACTED]		
Total shareholders' equity	34,365	30,993
Total liabilities and shareholders' equity	\$ 50,662	\$ 37,429

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## Corporate Overhead



\*Excludes Workers' Compensation Receivable Adjustment

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## Summary Of TeamStaff Opportunities

Long-Term Growth of Healthcare Staffing Industry

Industry expected to Rebound in 2005-6

Both Acquisitions Bolster Healthcare Offering, Scale and Reduce Cyclicity

Differentiator: One-Stop Shopping for Public & Private Sector Hospitals

Differentiator: National Sales force focused on Relationship Selling to Key Decision Makers

Experienced Staffing Industry Leadership Team

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	nts	Synergies	Combined
		\$ 747	\$ (645)
			677
			\$ 32

Interest expense on outstanding line and seller note	707
Eliminate RS interest expense	(157)
Net interest expense adjustment	327
Pretax income	1,069

TeamStaff  
 Analysis of Synergies  
 (\$ in thousands)

Additional teaming partner gross profit estimated at 1% of revenue	435
Gross profit increase	435
Non recurring settlement expense	187
Headcount reductions	125
Total SG&A adjustment	312
Pretax income	747