
**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): January 14, 2011

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 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On January 14, 2010, TeamStaff, Inc. (the "Company") received a staff deficiency letter from The Nasdaq Stock Market LLC ("Nasdaq") notifying the Company that it is not in compliance with Nasdaq Listing Rule 5250(c)(1) (the "Listing Rule") since it did not timely file its Annual Report on Form 10-K for the fiscal year ended September 30, 2010 with the Securities and Exchange Commission.

Under the Nasdaq Listing Rules, the Company is afforded 60 calendar days, or until March 15, 2011, to submit to Nasdaq a plan to regain compliance with the Listing Rule. If the Nasdaq Stock Market staff accepts the plan, the Nasdaq staff can grant an exception of up to 180 calendar days from the filing's due date, or until July 12, 2011, for the Company to regain compliance. In the event Nasdaq determines that the Company's plan is not sufficient to regain compliance, Nasdaq staff will send written notice that the Company's common stock will be subject to delisting. At that time, the Company may appeal the delisting determination to a Nasdaq hearings panel.

The Company is working diligently on this matter and intends to file its Annual Report on Form 10-K as soon as practicable. The Company issued a press release on January 21, 2011 disclosing its receipt of the letter from Nasdaq described above, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

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

	<u>Exhibit</u>	
(d)	<u>Number</u>	<u>Exhibit Title or Description</u>
	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: January 21, 2011

EXHIBIT INDEX

**Exhibit
Number**
99.1

Description
Press Release

FOR IMMEDIATE RELEASE

TEAMSTAFF, INC. ANNOUNCES RECEIPT OF NASDAQ DEFICIENCY NOTICE

Somerset, New Jersey — January 21, 2011 — TeamStaff, Inc. (Nasdaq: TSTF), a leading logistics and healthcare services provider to the Federal Government and Department of Defense announced today that on January 14, 2011, it received a notice from the Listing Qualifications Department of The Nasdaq Stock Market (Nasdaq) notifying it that the Company is not in compliance with Nasdaq Listing Rule 5250(c)(1), Obligation to File Periodic Financial Reports, because it did not timely file its Annual Report on Form 10-K for the fiscal year ended September 30, 2010 with the Securities and Exchange Commission. As previously announced in the Company's press release dated January 13, 2011, the Company determined that it needs to delay the filing of its Annual Report on Form 10-K for the fiscal year ended September 30, 2010.

The Company has been provided an initial grace period of 60 calendar days, or until March 15, 2011, to submit a plan to regain compliance and if Nasdaq accepts the Company's plan, an additional grace period of up to 180 calendar days from the original due date, or until July 12, 2011, can be provided to regain compliance. In the event Nasdaq determines that the Company's plan is not sufficient to regain compliance, Nasdaq staff will send written notice that the Company's common stock will be subject to delisting. At that time, the Company may appeal the delisting determination to a Nasdaq hearings panel. The Company is working diligently on this matter and intends to file its Annual Report on Form 10-K as soon as practicable.

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 corporate web site at www.teamstaff.com or the TeamStaff Government Solutions web 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:

Zachary C. Parker,
President and Chief Executive Officer
John E. Kahn,
Chief Financial Officer
TeamStaff, Inc.
1 Executive Drive
Somerset, NJ 08873
866-352-5304

Donald C. Weinberger/Diana Bittner (media)
Wolfe Axelrod Weinberger Associates, LLC
212-370-4500
don@wolfeaxelrod.com
diana@wolfeaxelrod.com

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