

MCMAHAN STEPHEN J  
Form 4  
January 05, 2007

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
MCMAHAN STEPHEN J

(Last) (First) (Middle)  
1001 EAST PALM AVENUE  
(Street)

TAMPA, FL 33605

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
KFORCE INC [kfrc]

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/03/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)  
Chief Sales Officer

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
|                                 |                                      |                                                    | Code                           | V                                                                 | Amount (A) or (D) Price                                                                       |                                                          |                                   |
| Common Stock                    | 01/03/2007                           |                                                    | A                              |                                                                   | 19,660 (1) \$ 0                                                                               | D                                                        |                                   |
| Common Stock                    | 01/03/2007                           |                                                    | A                              |                                                                   | 11,796 (2) \$ 0                                                                               | D                                                        |                                   |
|                                 |                                      |                                                    |                                |                                                                   | 20,041 (3)                                                                                    |                                                          |                                   |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|
| Stock Appreciation Rights                  | \$ 12.66                                               | 01/03/2007                           |                                                    | A                              | 10,223                                                                                  | 01/03/2010 <sup>(4)</sup> 01/03/2017                     | Common 10                                                   |

## Reporting Owners

| Reporting Owner Name / Address                                | Relationships |           |                     |       |
|---------------------------------------------------------------|---------------|-----------|---------------------|-------|
|                                                               | Director      | 10% Owner | Officer             | Other |
| MCMAHAN STEPHEN J<br>1001 EAST PALM AVENUE<br>TAMPA, FL 33605 |               |           | Chief Sales Officer |       |

## Signatures

Michael R. Hurley, attorney-in-fact for Stephen J. McMahan

01/05/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Represents 19,660 shares of restricted stock that will vest at a rate of 20% annually beginning on 1/3/2009.
- (2) Represents 11,796 shares of restricted stock that will vest at a rate of 25% annually beginning on 1/3/2010, but shall immediately vest if the market price of the Kforce common stock exceeds \$18.99 per share for 10 days.
- (3) Includes 31,456 shares of restricted stock.
- (4) After 1/3/2008 the rights will immediately vest if the market price of the Kforce common stock exceeds \$16.46 per share for 10 days.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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