

## **Kforce Inc. AUDIT COMMITTEE CHARTER**

Revised October 23, 2008

### **Role and Independence**

The Audit Committee of the board of directors (the "Audit Committee") of Kforce Inc. (the "Firm") assists the full board of directors (the "Board") in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and reporting practices of the Firm and such other duties as directed by the Board. Members of the Audit Committee shall be directors of the Firm elected by the Board and shall hold office until the earlier of: (1) the election of their respective successors; (2) the end of their service as a director of the Firm (whether through resignation, removal, expiration of term or death); or (3) their resignation from the Audit Committee. The Board shall designate one member as the chairman. The membership of the Audit Committee shall consist of at least three "independent directors", as defined by the applicable rules, who are generally knowledgeable in financial and auditing matters and able to read and understand financial statements, including at least one member who has thorough education and experience as a public accountant, auditor, principal financial officer, controller, principal accounting officer of a public company, or from a position involving the performance of similar functions, sufficient financial expertise in accounting and auditing to be considered an "audit committee financial expert", as defined by applicable rules. The existence of such member, including, his or her name and whether or not he or she is independent, will be disclosed in periodic filings as required by the Securities and Exchange Commission (the "SEC"). Each member shall be free of any relationship or affiliation with the Firm that, in the opinion of the Board, would interfere with their individual exercise of independent judgment. No person shall be deemed independent if he is an employee of the Firm or if he receives payment other than for Board or committee services. No member of the Audit Committee shall have participated in the preparation of the financial statements of the Firm or any current subsidiary of the Firm at any time during the past three years. The Audit Committee shall meet as often as it deems necessary to carry out its responsibilities, but no less frequently than quarterly.

The Audit Committee may form and delegate authority to subcommittees consisting of one or more Audit Committee members when appropriate, provided that such subcommittees report their decisions to the Audit Committee at its next scheduled meeting.

The Audit Committee is expected to maintain free and open communication (including private executive sessions as frequently as is necessary to allow the Audit Committee to carry out its responsibilities) with the independent auditors, the internal auditors, and management of the Firm. In discharging this oversight role, the Audit Committee is empowered to investigate any matter brought to its attention, with full access to all books, records, facilities and personnel of the Firm, and the power to retain outside counsel or other experts for this purpose.

The Audit Committee shall have the sole responsibility for the appointment, compensation, oversight and termination of the independent auditors engaged for the purpose of rendering or issuing an audit report or related work, or performing other audit, review or attest services for the Firm. The Firm shall provide appropriate funding, as determined by the Audit Committee in its capacity as a committee of the Board, for payment of compensation to (1) the independent auditors or (2) any advisors employed by the Audit Committee.

The Audit Committee's job is one of oversight and it recognizes that the Firm's management is responsible for preparing the Firm's financial statements, for the Firm's financial reporting process and internal controls. The Audit Committee further recognizes that the independent auditors are responsible for auditing the annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles, and for reviewing the Firm's quarterly financial statements. It is recognized that it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Firm's financial statements fairly present the Firm's financial position, or that the results of operation are in accordance with generally accepted accounting principles and applicable laws and regulations. Each member of the Audit Committee shall be entitled to rely on (i) the integrity of those persons within the Firm and of the professionals and experts (such as the independent auditors) from which it receives information and (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons, professionals or experts absent actual knowledge to the contrary. Consequently, in carrying out its oversight responsibilities, the Audit Committee is not providing any expert or special assurance as to the Firm's financial statements or any professional certification as to the outside auditor's work.

### **Responsibilities of the Audit Committee**

The following activities are set forth as a guide with the understanding that the Audit Committee may diverge from this guide as it considers appropriate in accordance with applicable law.

#### *A. Financial Reporting/Internal Controls*

1. Review and discuss with the internal auditors and the independent auditors their respective annual audit plans, staffing, reports, and the results of their audits.
2. Review and discuss with management and the independent auditors the Firm's quarterly financial results, including the results of the independent auditor's reviews of the quarterly financial information.
3. Review and discuss with management and the independent auditors any material issues with respect to its Form 10-Qs.
4. Review and discuss with management and the independent auditors the annual audited financial statements and recommend to the Board, based upon review of the financial statements, the matters required to be discussed by SAS 61, and the letter required by Independence Standards Board Standard No. 1, whether the audited financial statements should be included in the Firm's Form 10-K.
5. Review with the independent auditors any matters of significant disagreement between management and the independent auditors and any other problems or difficulties encountered during the course of the audit and management's response to such disagreements, problems, or difficulties.
6. Review and discuss with the independent auditors: (a) all critical accounting policies and practices used in the audit; (b) all alternative treatments of financial accounting and disclosures within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and (c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
7. In connection with each annual and periodic report of the Firm, review and discuss (a) management's disclosure to the Audit Committee under Section 302 of the Sarbanes-Oxley Act (the "S-O Act") and (b) the contents of the chief executive officer and the chief

financial officer certificates to be filed under Sections 302 and 906 of the S-O Act.

8. Meet with the independent auditors in executive session to discuss any other matters that the independent auditors believe should be discussed privately.

9. Review and discuss with management and the independent auditors the adequacy of the Firm's internal controls, including computerized information system controls and security.

10. Review and discuss the scope and results of management's evaluation of disclosure controls and assessment of internal controls over financial reporting, including the related certifications to be included in the Firm's periodic reports filed with the SEC.

11. Review and discuss with the Firm's independent auditors the scope and results of their review of management's evaluation of disclosure controls and assessment of internal controls (to the extent such a review is either: (a) required by applicable law or (b) otherwise conducted).

#### *B. Independent Auditors*

1. Appoint (and recommend that the Board submit for shareholder ratification), provide for the compensation of, and oversee the work of the independent auditors (including resolution of disagreements between management and the auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. Preapprove all audit engagement fees and terms, as well as the terms and fees of any and all nonaudit engagements. The independent auditors shall report directly to the Audit Committee.

2. Review the performance of the independent auditors and remove the independent auditors if circumstances warrant.

3. Monitor and periodically review the independence of the independent auditors by obtaining and reviewing a report from the independent auditors at least annually regarding all relationships between the independent auditors and the Firm.

4. Preapprove all auditing services and permitted nonaudit services to be performed for the Firm by the independent auditors, except as provided in this paragraph. In no event shall the independent auditors perform any nonaudit services for the Firm which are prohibited by Section 10A(g) of the Securities Exchange Act of 1934 or the rules of the SEC or the Public Firm Accounting Oversight Board. The Audit Committee shall establish general guidelines for the permissible scope and nature of any permitted nonaudit services. The guidelines pursuant to which audit and nonaudit services are to be approved, and the fees associated with all audit, audit-related, tax and nonaudit services, shall be disclosed in the Firm's proxy statement on Schedule 14A and annual report on Form 10-K. Additionally, approvals of nonaudit services, to be performed by the independent auditors, shall be disclosed as promptly as practicable in the Firm's quarterly reports on Form 10-Q and the annual reports on Form 10-K.

#### *C. Internal Assurance (Audit) Function*

1. Review the appointment and replacement of the VP of Internal Assurance Services.

2. Review summaries of significant reports to management prepared by Internal Assurance Services and management's responses.

3. Periodically review with the VP of Internal Assurance Services the scope of activities, significant difficulties encountered in engagements, disagreements with management, or scope restrictions encountered in the course of the department's work.

4. Meet with the VP of Internal Assurance Services in executive session to discuss any matters that the Audit Committee or the VP of Internal Assurance Services believes should be discussed privately.

5. Review and discuss with the independent auditors and management the

responsibilities, budget and staffing of the internal audit department and any recommended changes in the planned scope of Internal Assurance Services' work.

*D. Compliance Oversight*

1. The Audit Committee shall review and approve all related party transactions that the Firm would be required to disclose pursuant to Item 404 of Regulation S-K.
2. Periodically review procedures for (a) the receipt, retention, and treatment of complaints received by the Firm regarding accounting, internal accounting controls, or auditing matters and (b) the confidential, anonymous submission by employees of the Firm of concerns regarding questionable accounting or auditing matters.

*E. Annual Evaluation*

1. The Audit Committee shall review and assess the adequacy of this Charter at least annually and recommend to the Board any proposed changes to this Charter.

*F. General*

1. Report regularly to the Board on the Audit Committee's activities, as appropriate.
2. Maintain minutes or other records of the Audit Committee's meetings and activities.
3. Approve the audit committee report to be included in the Firm's proxy statement when and as required by the rules of the SEC.
4. The Audit Committee shall be empowered to retain and determine funding for independent counsel, accountants, or other advisors to assist its duties. The Firm shall provide appropriate funding to the Audit Committee, as determined by the Audit Committee, for payment of (a) compensation to the independent auditors for services approved by the Audit Committee, (b) compensation to any outside advisers retained by the Audit Committee, and (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its activities.
5. The chairman of the Audit Committee will have authority to act on behalf of the Audit Committee between meetings. The authority of the chairman of the Audit Committee includes the authority to grant pre-approvals of audit and non-audit services. Any such actions or pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.