

| OMB APPROVAL | |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| | | |
|--|--|--|
| 1. Name and Address of Reporting Person* <u>WYNNEFIELD PARTNERS SMALL CAP VALUE LP</u> (Last) (First) (Middle) 450 SEVENTH AVENUE SUITE 509 (Street) NEW YORK NY 10123 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>TEAMSTAFF INC [TSTF]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) |
| | 3. Date of Earliest Transaction (Month/Day/Year) 08/16/2004 | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 Indirect Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|------------|--------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock, par value \$.001 per share | 08/16/2004 | | P | | 1,000 | A | \$1.98 | 1,911,000 ⁽¹⁾⁽²⁾⁽³⁾ | D | |

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) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | | | | | |

1. Name and Address of Reporting Person*
WYNNEFIELD PARTNERS SMALL CAP VALUE LP
 (Last) (First) (Middle)
 450 SEVENTH AVENUE
 SUITE 509
 (Street)
 NEW YORK NY 10123
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
WYNNEFIELD PARTNERS SMALL CAP VALUE LP I
 (Last) (First) (Middle)
 450 SEVENTH AVE
 STE 509
 (Street)
 NEW YORK NY 10123
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
WYNNEFIELD SMALL CAP VALUE

OFFSHORE FUND LTD

(Last) (First) (Middle)

450 SEVENTH AVE
STE 509

(Street)
NEW YORK NY 10123

(City) (State) (Zip)

1. Name and Address of Reporting Person*

**WYNNEFIELD CAPITAL MANAGEMENT
LLC**

(Last) (First) (Middle)

450 SEVENTH AVE
STE 509

(Street)
NEW YORK NY 10123

(City) (State) (Zip)

1. Name and Address of Reporting Person*

WYNNEFIELD CAPITAL INC

(Last) (First) (Middle)

450 SEVENTH AVE
STE 509

(Street)
NEW YORK NY 10123

(City) (State) (Zip)

Explanation of Responses:

1. On the date hereof, of the total number of shares of common stock, par value \$.001 per share ("Common Stock") of TeamStaff, Inc. (TSTF) reported herein as beneficially owned, the Reporting Person directly beneficially owns 669,300 shares of Common Stock. Wynnefield Capital Management, LLC, as the sole general partner of the Reporting Person, has an indirect beneficial ownership interest in the shares of Common Stock that the Reporting Person directly beneficially owns.
2. On the date hereof, of the total number of shares of Common Stock reported herein as beneficially owned, the Reporting Person has an indirect beneficial ownership interest in 762,200 shares of Common Stock, which are directly beneficially owned by Wynnefield Partners Small Cap Value, L.P. I, as members of a group under Section 13(d) of the Securities Exchange Act of 1934, as amended. Wynnefield Partners Small Cap Value, L.P. I, which maintains offices at the same address as the Reporting Person, is filing this Form jointly with the Reporting Person. Wynnefield Capital Management, LLC, as the sole general partner of Wynnefield Partners Small Cap Value, L.P. I, has an indirect beneficial ownership interest in the shares of Common Stock that Wynnefield Partners Small Cap Value, L.P. I directly beneficially owns.
3. On the date hereof, of the total number of shares of Common Stock reported herein as beneficially owned, the Reporting Person has an indirect beneficial ownership interest in 479,500 shares of Common Stock, which are directly beneficially owned by Wynnefield Small Cap Value Offshore Fund, Ltd., as members of a group under Section 13(d) of the Securities Exchange Act of 1934, as amended. Wynnefield Small Cap Value Offshore Fund, Ltd., which maintains offices at the same address as the Reporting Person, is filing this Form jointly with the Reporting Person. Wynnefield Capital, Inc. as the sole investment manager of Wynnefield Small Cap Value Offshore Fund, Ltd., has an indirect beneficial ownership interest in the shares of Common Stock that Wynnefield Small Cap Value Offshore Fund, Ltd. directly beneficially owns.

WYNNEFIELD PARTNERS
SMALL CAP VALUE, L.P.,
By: Wynnefield Capital
Management, LLC, General
Partner; By: /s/Nelson Obus,
Managing Member 08/18/2004

WYNNEFIELD PARTNERS
SMALL CAP VALUE, L.P. I;
By: Wynnefield Capital
Management, LLC, General
Partner; By: /s/Nelson Obus,
Managing Member 08/18/2004

WYNNEFIELD SMALL CAP
VALUE OFFSHORE FUND,
LTD., By: Wynnefield Capital,
Inc.; By: /s/Nelson Obus,
President 08/18/2004

WYNNEFIELD CAPITAL
MANAGEMENT, LLC, By:
/s/Nelson Obus, Managing
Member 08/18/2004

WYNNEFIELD CAPITAL,
INC., By: /s/Nelson Obus,
President 08/18/2004

** Signature of Reporting Person Date

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

* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.