FORM 3

OFFSHORE FUND LTD

450 SEVENTH AVE

(First)

NY

(State)

WYNNEFIELD CAPITAL MANAGEMENT

1. Name and Address of Reporting Person*

(Middle)

10123

(Zip)

(Last)

(Street)
NEW YORK

(City)

LLC

STE 509

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF

OMB APPROVAL						
OMB Number: 3235-010						
Estimated average burden						
hours per response:	0.5					

				SECURITIES				II.	r response: 0.5	
					16(a) of the Securities Exchange A f the Investment Company Act of 19					
1. Name and Address of Reporting Person* WYNNEFIELD PARTNERS SMALL CAP VALUE LP I 2. Date of Even Requiring State (Month/Day/Yea 07/30/2004			3. Issuer Name and Ticker or Trading Symbol TEAMSTAFE INC [TSTE]							
(Last) (First) (Middle) 450 SEVENTH AVE					Relationship of Reporting Perso (Check all applicable) Director X Officer (give title	on(s) to Issuer 10% Owner Other (specify		5. If Amendment, Date of Original Filed (Month/Day/Year)		
STE 509					below)	below)	olly		cable Line)	t/Group Filing (Check y One Reporting Person
(Street) NEW YORK NY 10123								X Form filed by More than One Reporting Person		
(City)	(State)	(Zip)								
			Table I - Non	-Deriva	tive Securities Beneficial	ly Owned				
1. Title of Security (Instr. 4)					2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownersh Form: Direct or Indirect (Instr. 5)	ct (D)	4. Nature of Indirect Beneficial Ownersh (Instr. 5)		Beneficial Ownership
Common Stock, par value \$.001 per share					551,500(1)	D				
Common Stock, par value \$.001 per share					630,500	I		See Footnote ⁽²⁾		
Common Stock	k, par value \$	5.001 per share			396,500	I		See Footnote ⁽³⁾		
		(6			ve Securities Beneficially ants, options, convertible		s)			
1. Title of Deriva	tive Security (•	2. Date Exerc Expiration Da (Month/Day/)	isable an	sable and 3. Title and Amount of Securitite Underlying Derivative Security		ities 4. ty (Instr. 4) Conver		5. Ownership Form:	6. Nature of Indirect Beneficial Ownership (Instr. 5)
Date E			Expiration Date	on Title	Amount or Number of Shares	Price of Derivative Security		Direct (D) or Indirect (I) (Instr. 5)		
1. Name and Add WYNNEFI VALUE LP	ELD PAR	ng Person [*] TNERS SMALI	L CAP							
(Last) 450 SEVENT	(First) H AVE	(Midd	lle)							
(Street) NEW YORK	NY	1012	23							
(City)	(State)	(Zip)								
1. Name and Add		ng Person* ALL CAP VALU	JE							

(Last)	(First)	(Middle)					
450 SEVENTH AV	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 AV	VΕ						
STE 509							
(Street)							
NEW YORK	NY	10123					
(City)	(State)	(Zip)					
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)					

Explanation of Responses:

- 1. On the date hereof, the Reporting Person directly beneficially owns 551,500 shares of common stock, par value \$.001 per share ("Common Stock") of TeamStaff, Inc. (TSTF) ("TeamStaff"). 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, the Reporting Person has an indirect beneficial ownership interest in 630,500 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 filling 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, the Reporting Person has an indirect beneficial ownership interest in 396,500 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.

SMALL CAP VALUE, L.P.; By: Wynnefield Capital 08/04/2004 Management, LLC; General Partner - /s/Nelson Obus, Managing Member WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. I; By: Wynnefield Capital 08/04/2004 Management, LLC; General Partner - /s/Nelson Obus, Managing Member WYNNEFIELD SMALL CAP VALUE OFFSHORE FUND, LTD.; By: Wynnefield Capital, 08/04/2004 Inc. - /s/Nelson Obus, President WYNNEFIELD CAPITAL MANAGEMENT, LLC; By: 08/04/2004 /s/Nelson Obus, Managing Member WYNNEFIELD CAPITAL, INC.; By: /s/Nelson Obus, 08/04/2004

Date

WYNNEFIELD PARTNERS

President

** Signature of Reporting Person

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 5 (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.