Annual Forecast Budget - Frequently Asked Questions

Community and Family Support (CAFS) Program

November 2025

CAFS Annual Forecast Budget

- As part of CAFS contract negotiations, service providers are required to submit a budget proposal for the services the Department of Communities and Justice (DCJ) asks you to deliver under the CAFS program, using the Income and Expenditure (I&E) template.
- You can download the I&E Statement – budget template at: https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/targeted-earlier-intervention-program/tei-recommissioning-2025.html
- This is a forecasted budget for **one year** of your CAFS contract and the approved budget will be attached to the final CAFS contract.
- It is intended to be a **guide only** to support contract negotiations, explore the **sustainability** of program costs, and understand the true costs of service delivery.

Frequently Asked Questions (FAQ's)

1. **Why has a budget been introduced for the CAFS program negotiations?**

   Across all programs, DCJ is incrementally implementing updates to strengthen program and contract management to ensure transparency and enable the Department to have a greater understanding of how public funding is being used. This includes updating budget reporting.

   The intention of a forecasted budget is to support greater financial and organisational transparency and assist DCJ to understand how organisations are structured and how CAFS program funds are being utilised e.g. rent, staff, other overheads, salaries etc.

   As we are currently entering new contracts for CAFS, it offers a timely opportunity to implement these changes.

2. **How often will we need to complete the budget, is it each year?**

   The budget is to support current CAFS contract negotiations and is an estimate for the first financial year only so will not be required on an ongoing basis.

3. **What is the difference between 'direct' and 'indirect' costs?**

   Direct costs are costs that are specific to a program and would not be incurred if the program was not funded. For example, program staff costs or program specific materials.

   Indirect costs are costs that can benefit or be allocated across multiple programs/areas. These are generally non-personnel costs so they cannot be clearly

attributed to a person working on a specific program. For example, office costs, utilities, or technology.

4. **Are there any indirect contract administration costs that can't be included?**

   There are no specific rules about what costs will and will not be accepted, as it is based on the specific service provider's circumstances and community needs.

   To guide you, the required indirect costs are listed in the budget template.

5. **Why does the budget template not include a line item for general management and administration costs?**

   The intention of the budget is for service providers to detail their expenses so DCJ can understand the true costs of service delivery.

   Providing an all-inclusive management fee in a single line item does not allow DCJ to assess whether the proposed costs are reasonable, justifiable or sustainable.

   Additionally, DCJ is interested in understanding your cost pressures, and this detail will help ensure the agreed contract reflects this.

6. **We haven't had to provide executive salaries previously, why are we being asked to provide this information and how will it be used?**

   DCJ is incrementally implementing updates to strengthen transparency and understanding of how public funding is being used.

   Having greater clarity about where funding is currently being utilised - and remuneration trends across sectors - will provide important insight to inform future commissioning activities and design of various DCJ programs.

   It is a requirement for a contract to be awarded, that if any of your CAFS funding contributes to an executive salary over $190,000, that you provide the information on Tab 2 of the budget template.

7. **Who will have access to executive salary information?**

   Budget information will be kept confidential and not shared outside of the NSW Government, noting that individual contracts (related to total contract value) are disclosed on the NSW Government eTendering website (www.tenders.nsw.gov.au) in accordance with Government Information Public Access Act.

   https://legislation.nsw.gov.au/view/html/inforce/current/act-2009-052.

Further Information

Please contact your Commissioning and Planning team if you have any questions.

For further information on the TEI Recommissioning including relevant resources and fact sheets, please see the TEI Recommissioning page on the DCJ website:

https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/targeted-earlier-intervention-program/tei-recommissioning-2025.html