

	INDIANA DEPARTMENT OF CHILD SERVICES CHILD WELFARE POLICY	
	Chapter 17: Residential Licensing Section 09: Contract Termination	
	Effective Date: January 1, 2026	Version: 3

POLICY OVERVIEW

The Indiana Department of Child Services (DCS) contracts with residential facilities to care for children who need treatment and are involved with DCS and probation. A residential facility may ask DCS to end its contract, or DCS can end the contract if the facility does not follow the rules.

POLICY STATEMENT

If DCS finds that a residential facility has broken the rules of the contract, the facility will have 30 calendar days to fix the issue. If this does not happen, DCS may start the process of ending the contract.

Exception: If the violation puts a person's life, health, or safety at risk, DCS may end the contract with 3 business days' notice.

LEGAL REFERENCES

- [IC 5-11: ARTICLE 11. ACCOUNTING FOR PUBLIC FUNDS](#)
- [IC 5-22-17-5: Funds not appropriated or available; contract cancellation; exemption for lease of state owned property](#)
- [IC 16-18-2-12: "Alcohol and drug abuse records"](#)
- [IC 16-18-2-168: "Health records"](#)
- [IC 31-27-2-5: Monitoring of licensed entities](#)
- [IC 31-27-3-14: Probationary status; duration; expirations; extension](#)
- [IC 31-27-3-18: Records](#)
- [IC 31-27-3-19: Notice of enforcement actions; informal meetings](#)
- [IC 31-27-6-15: Records regarding children](#)
- [IC 31-33-5: Chapter 5. Duty to Report Child Abuse or Neglect](#)
- [IC 31-34-15: Chapter 15. Case Plan](#)
- [IC 31-37-19-1.5: Completion of case plan; copies of case plan; contents; review and update](#)