	INDIANA DEPARTMENT OF CHILD SERVICES CHILD WELFARE POLICY	
	Chapter 12: Foster Family Home Licensing **Section 31:** Evaluating Financial Stability	
	Effective Date: January 1, 2026	**Version:** 5

POLICY OVERVIEW

Indiana law requires foster parents to show they have enough income and manage their money well to keep their home safe and stable.

Foster care payments (called per diem) are meant to support the child's needs while they are in foster care. These payments may not cover all costs, so foster families must show they can stay financially stable without relying on the per diem.

POLICY STATEMENT

All foster family home (FFH) applicants must complete the Financial Stability for Foster Family Home form when applying for or renewing a license. This form helps DCS understand:

1. The family's income and monthly expenses; and
2. How the family handles emergencies or unexpected costs.

   Note: If there are concerns about a family's financial stability, DCS may ask for proof of income or expenses.

LEGAL REFERENCES

- IC 31-27-2-5: Monitoring of licensed entities
- IC 31-27-4-33: Compliance with rules; disciplinary sanctions; revocation of license
- 465 IAC 2-1.5: Licensing of Foster Family Homes for Children