



DCS Practice SOP

Foster Family Home Licensing

12.18: Licensing Denials (Foster Family Home Licensing)

Related Policy: [12.18](#)

Effective Date: January 1, 2026

Version: 1

Roles

- Licensing Worker
- DCS Hearings and Appeals
- Central Office Foster Care Licensing Team
- Final Agency Authority
- DCS Attorney

Procedure

The licensing worker will recommend denial of a foster family home (FFH) license or renewal if:

1. The applicant or anyone in the home (including employees or volunteers) does not pass required background checks (see References);
2. There is a substantiated report of Child Abuse and/or Neglect (CA/N) against the applicant or someone in the home;

Note: If the CA/N report was substantiated before October 15, 2006, the Regional Director (RD) or designee must review it before the licensing worker recommends denial. The applicant can also ask for this review at any time.

3. The applicant gave false information on the application or other required records;
4. The applicant does not show financial stability to support the home without the per diem;
5. The applicant does not complete or respond to required paperwork on time; or
6. Other information from the state-approved FFH licensing study shows concerns about:
 - a. The current home environment, and/or
 - b. The applicant's ability to ensure the child's safety, well-being, and permanency.

Note: This is not a full list of situations that may result in an application denial.

Recommending Denial

For a denial recommendation, the licensing worker will:

1. Talk with other staff or the Central Office Foster Care Licensing Team, if needed, before recommending denial;
2. Write a denial letter **within 60 calendar days** of the issue being identified. The letter must include:
 - a. The statute or rule the applicant did not follow,
 - b. A summary of what happened that led to a denial recommendation, and
 - c. Documents that support the denial.
3. Make sure the denial recommendation letter is signed by the licensing worker, licensing supervisor, and the DCS Foster Care Division Manager (DM) or designee, if needed;
4. Talk to the applicant about the denial recommendation and explain the next steps;
5. Upload the following to the case management system in a file or attachment labeled "recommendation":

- a. The denial recommendation letter and supporting documents (e.g., contact notes, emails, background checks, and assessments), and

Note: The licensing agency must make these FFH files available in the case management system to the Central Office Foster Care Licensing Team if asked.

- b. The Foster Home Revocation or Denial Due Process Verification form (if denial is based on substantiated CA/N).

Note: Licensed Child Placing Agency (LCPA) workers can contact the Central Office Foster Care Licensing Team for help if the denial is based on substantiated CA/N.

6. Submit the denial recommendation in the case management system to the Central Office Foster Care Licensing Team for approval; and
7. Tell any DCS or agency staff responsible for child placement about the concerns and denial recommendation if a child is currently placed in the home.

Central Office Review

The Central Office Foster Care Licensing Team will review the denial recommendation **within 30 calendar days** of receiving the recommendation and decide if it should move forward.

If the Central Office Foster Care Licensing Team agrees with the denial recommendation, they will:

1. Send a certified letter to the FFH applicant that includes:
 - a. The denial of the FFH license or renewal, effective **30 calendar days** from when the letter is received,
 - b. The reason for the denial,
 - c. The right to appeal the decision **within 30 calendar days** from when the letter is received,
 - d. DCS' legal authority to license FFHs, and
 - e. The penalties for running an FFH without a license.
2. Send a copy of the letter to the licensing worker for the case file; and
3. Enter the effective date of the denial in the case management system **30 calendar days** after the applicant receives the denial letter or after the appeal process ends, if applicable.

If the Central Office Foster Care Licensing Team disagrees with the denial:

1. They will return the recommendation to the recommending agency with next steps; and
2. The recommending agency will move forward with the next steps.

Applicant Appeals

If the FFH applicant appeals the denial and asks for a hearing (under IC 31-27-4-13 and 465 IAC 3-3):

1. DCS Hearings and Appeals will:
 - a. Review the Request for Administrative Hearing Foster Home License Denial or Revocation form and the revocation letter, and
 - b. Send it to the Indiana Office of Administrative Law Proceedings (OALP) if it is complete and was submitted on time.

2. An Administrative Hearing Officer (see Definitions) will schedule the hearing and any pre-hearing meetings;
 3. OALP will notify the DCS attorney, the FFH, and their attorney (if any) of the hearing details;
 4. A DCS attorney will represent DCS at the hearing;
 5. The DCS FAA will:
 - a. Complete a Final Agency Review, which includes review of:
 - The case, and
 - The ALJ's Proposed Finding of Fact and Conclusions of Law.
 - b. Decide to uphold, deny, or send the decision to deny back for more review.
- Note:** The DCS FAA may schedule status conferences or set deadlines during the review. Missing these will not stop the FAA from making a decision.
6. OALP and the parties will be told the final decision, including any right to ask for a judicial review (under IC 4-21.5-5).

Definitions

- [Administrative Hearing Officer](#)
- [Final Agency Action](#)
- [Final Agency Authority \(FAA\)](#)
- [Licensing Worker](#)

Resources

- [Application for Foster Family Home License \(SF 10100\)](#)
- [Application for Foster Family Home License \(Spanish Version\) \(SF 57197\)](#)
- [Foster Home License Revocation or Denial Due Process Verification \(SF 55232\)](#)
- [Indiana Office of Administrative Law Proceedings \(OALP\) Policies](#)
- [Request for Administrative Hearing Foster Home License Denial or Revocation \(SF 55227\)](#)

Additional Information

- N/A

References

- [Policy 13.09 Conducting Checks – Foster Licensing](#) – [Related Practice SOP](#)
- [Policy 13.10 Evaluating Checks – Foster Licensing](#) – [Related Practice SOP](#)