



State of California  
Health and Human Services Agency  
Business Enterprises Program  
721 Capital Mall Dr  
Sacramento, CA 95814

February 17, 2009

To : All BEP Vendors

Pursuant to Welfare and Institution Code Section 19629 (b), the Business Enterprises Program (BEP) has determined the adjustment for the annual set-aside charge exemption for the 2009 calendar year.

“Section 19629 (b)

No set-aside funds shall be collected where the monthly proceeds are less than one thousand dollars (\$1,000). This amount shall be annually adjusted by the department to reflect changes in the cost of living. The average of the separate indices of cost of living for Los Angeles and San Francisco as published by the United States Bureau of Labor Statistics, shall be used as the basis for determining the change in the cost of living.”

The annual 2009 adjustment is based on the 2007-2008 fiscal year. The 2009 set-aside exemption will be \$1,704.00. This means during 2009 no fee will be assessed when the net income for your facility is below \$1,704.00 as reported on your Monthly Operating Reports (MORs) DR478. This exemption will begin on your January 2009 MOR that is due on February 25, 2009.

**Please notify your accountant or bookkeeper of this change.**

If you have any questions regarding this subject please call your BEC.

Debra K. Meyer  
Manager

CC: Deputy Director, Specialized Services Division  
CVPC Executive Secretary  
DOR Accounting Section  
DOR Business Services  
BEP Field Offices  
BEP Training