

**CITY OF SAN JOSE OPERATING GRANT PROGRAM
FY2005-06 Grantee Final Report**

Due Date: July 31, 2006

Directions: Complete and save this form on your computer, print and sign it, and submit with Required Attachments specified on the last page of this form to:

Office of Cultural Affairs
Atten: Karen Park
365 S. Market Street
San Jose, CA 95113

NEW THIS YEAR: Please submit TWO copies of the Final Report.

Failure to file this report will cause a grantee organization to fall out of compliance with the terms of its grant agreement and will jeopardize its eligibility to apply for future grants and delay any other arts grants disbursements that may be forthcoming.

Organization Popular Name Mexican Heritage Plaza

Legal Name, if different Mexican Heritage Corporation

Principal Business Location 1700 Alum Rock Avenue
Number and Street.
San Jose, CA. 95116
City, State, Zip+Four Code

Mailing Address, if different _____
Number and Street or PO Box

City, State, Zip+Four Code

Phones 408 928 5500
Main Message Fax

E-mail + Web-site URL mdaviles@mhc viva.org + www.mhc viva.org

Principal Executive **Ms.** Marcela Davison Aviles
Name + title. Include **phone + e-mail**, if not the same as above.

Please indicate which, if any, of the information above has changed since the Progress Report was submitted:

Contact for this Report Marcela Davison Aviles
Name + phone + e-mail if any questions arise about this report.

Certification

I certify that the by-laws of this organization or a resolution of its governing body authorizes me to enter into legal agreements for the organization and to submit this grant report. To the best of my knowledge and belief, the information provided in this report and all attachments is true and correct.

Authorized Officer's Signature 8/31/06
Date

Marcela Davison Aviles President and CEO
Name of Corporate Officer Signing this Form Title of Officer Signing this Form

Organization name:

Write in name after printing form.

Note on filling out e-form tables: Use **only the TAB key to go from cell to cell**. If you use any other method (i.e., pressing the arrow key or clicking on the mouse), the automatic calculating function will not work properly).

ARTS ACTIVITIES IN SAN JOSE (excluding Youth-Focused activities, unless youth-focused programming is the core of the organization's activities)

	Date(s)	Activity	Activity Type	Venue & Council District (if known)	# of Paid Creative Professionals ¹ from San Jose Area	# of Paid Creative Professionals ¹ from outside San Jose Area	(A) # of Volunteer Creative Professionals ² from San Jose Area	(B) Attendance At Activity	Total # Volunteer Creative Professionals + Attendance (Sum A + B)
1	July 2005	San Jose International Mariachi Festival	Performance	Downtown San Jose and District 5	32	14	12	30,000	30,012
2	April	Festival Bellas Artes de Cesar Chavez	Performance	District 5		25		800	800
3	4/06-6/06	Words: From Spoken to Seen	Exhibit	District 5	2	3		2,000	2,000
4	9/05	El Grito de Independencia	Performance	District 5	2		30	2,000	2,030
5	2/06-6/06	Salón de México Speaker Series	Other	District 5	0	10	6	200	206
6	9/05-5/06	Pachanga Concert Series	Performance	District 5	0	3	0	3,300	3,300
7	9/05-6/06	Teatro Target Performing Arts Series	Performance	District 5	41	60	60	2,000	2,060
8	7/05-12/05	Son Bailado/Mariachi Vargas	Exhibit	District 5	2	0	0	1,000	1,000
9	Mar 06	Una Noche de Honor	Performance	District 5	6	0	40	400	440
10			-- select --						0
					85	115	148	41,700	41,848

If your grant encompassed more than 10 activities, please replicate this format on a separate page to complete the list.

ARTS ACTIVITIES outside SAN JOSE (excluding Youth-Focused activities, unless youth-focused programming is the core of the organization's activities)

	Date(s)	Activity	Activity Type	Self - presented or Contracted	City	Venue	Attendance
1			-- select --	-- select --			
2			-- select --	-- select --			
3			-- select --	-- select --			
4			-- select --	-- select --			
5			-- select --	-- select --			
6			-- select --	-- select --			
7			-- select --	-- select --			

¹ "Paid Creative Professionals" refers to contracted (i.e., non-staff) artists, actors, directors, curators, choreographers, designers, musicians and other similar creative professions in the arts sector.

² "Volunteer Creative Professionals" refers to creative professionals such as those listed above that a) have provided their service as a volunteer or b) were paid only token stipends/honoraria.

Organization name:

Write in name after printing form.

YOUTH-FOCUSED ARTS ACTIVITIES IN SAN JOSE ** (Do not duplicate data from tables on previous page.)

	Date(s)	Activity	Type of Activity	Venue & Council District (if known)	# of Paid Creative Professionals ¹ from San Jose Area	# of Paid Creative Professionals ¹ from <i>outside</i> San Jose Area	(A) # of Volunteer Creative Professionals ² from San Jose Area	(B) Attendance At Activity	Total # Volunteer Creative Professionals + Attendance (Sum A + B)
1	8/05-7/06	Kid's Film Series	Other	MHP District 5	0	1	0	700	700
2	Apr. 06	José Luis Orozco Concert	Performance	MHP District 5	0	1	0	200	200
3	May 06	Son y Tradicion: MYP Recital	Performance	MHP District 5	10	0	30	400	430
4	Jul 05	Mariachi Workshops (0-5 yr. olds)	Workshop	MHP District 5	5	0	0	300	300
5	Jul 05	Mariachi Workshops (Adults/Youth)	Workshop	SJSU	5	15	3	200	203
6	Jul 05	Mariachi Student Wkshop Showcase	Performance	MHP District 5	10	0	10	500	510
7	11/05-6/06	Mariachi Classes	Class	San José High School, Lincoln High School, Gardner Academy, Hoover Middle School, Washington Elementary School	6	0	0	200	200
8			-- select --						0
9			-- select --						0
10			-- select --						0
					36	17	43	2,500	2,543

**If your grant encompassed more than 10 youth-focused activities, please replicate this format on a separate page to complete the list.

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Organization name:

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Please discuss briefly the **outcomes** (i.e., results) of your organization's activities for FY2005-06. Include any highlights you think should be especially noted. How did the outcomes relate to your organization's mission and goals.

(Please limit your overview to 4,500 characters or approximately 50 lines.)

The 2005-2006 fiscal year still finds the Mexican Heritage Corporation (MHC) in recovery from the significant revenue and net profit downturn experienced in 2004-2005. However, the measures taken in that year (creation of new content partnerships, staff reductions, negotiated payment agreements, suspension of loss-generating programs) have enabled the organization to come back strong this year, as evidenced by our robust calendar of programming and to experience a modest operating surplus.

MHC's hallmark event, the Mariachi Festival and Concert, will be held in October 2006 and thus, revenues from this event will be reported for FY 2006-2007.

The MHC's new business model of creating joint venture or strategic partners to provide improved arts programming is being replicated across all MHC programmatic efforts. We are entering into agreements with organizations that can bring artists to the Plaza or otherwise help fulfill the artistic mission. At the same time, we rely on these organizations to aid in administering the programmatic process, to pick up where our internal diminished capacity leaves off. The result is a professional, well-organized presentation that delivers a quality product to our constituency.

New partnerships include:

Another Planet Entertainment -- Pachanga! outdoor concert series

Commonwealth Club of California -- Salon de Mexico Speakers Series

Children's Discovery Museum -- Pre-school folklorico classes

History San Jose -- Zorro visual arts exhibition

MACLA -- co-promotional activities

Compare the year your organization actually had with the one anticipated in your FY2005-06 grant application (the Grant Plan). Please be specific about significant changes – programming, business operations, audiences, staff and board, finances, etc.

(Please limit your overview to 4,500 characters or approximately 50 lines.)

In FY 2005-2006, MHC emerged from a critical financial and program crises by implementing a self-imposed financial management plan that featured tight cost controls coupled with new earned and contributed income revenues. Investments made by new foundation, corporate and individual gift funders supplemented sustained, but not increased, support from government agencies. Further, the Plaza affirmatively created and acted upon implementing a stable, sustainable repayment plan for paying down its operating deficit resulting from a loan previously made by the City of San Jose. This financial restructuring was implemented without decreasing the Plaza's ongoing substantial subsidy of two of its resident Arts Partners, Teatro Vision and San Jose Multicultural Artists Guild. Further, this year MHC absorbed Los Lupenos de San Jose under its 501(c) 3 operating umbrella thus assuring the continuation of this important Mexican folklorico dance troupe. (MHC is committed to professionalizing this dance component over time.) These achievements are significant.

Leadership in the Arts

Under the current management and Board leadership, MHC's "turnaround" has been immediate, impactful and results oriented. In just one year, MHC has made the successful transition from near insolvency to financial stability, and just this month launched a new season of vibrant visual and performing arts programming that illuminates and explores both the cultural diversity within Mexico and

Organization name:

Write in name after printing form.

the influence of Mexican culture on other communities worldwide. Specifically, in 2005 MHC launched a new operating plan that successfully supports the Plaza's arts programming and education activities.

The Plaza's new, innovative operations plan combines funding mechanisms, traditional presenting and producing activities and strategic content partnerships in many areas of the Plaza's programmatic activities. These new partnerships have resulted in record-breaking attendance for the Plaza's events and new audiences for the Plaza's programs. The Plaza's collaborative strategy expands its core Latino base to include new multi-cultural audiences and deepens the Plaza's traditional audience by presenting arts programming in multi-lingual formats that are directly relevant to disparate communities.

How did MHC achieve this dramatic turnaround in an environment of great fiscal austerity and challenges? The answer was to implement strict expense controls with strategic collaboration and traditional arts producing and presenting activities. The Plaza's new partners include philanthropic institutions and corporate "in-culture" marketing teams, established performing and visual arts producers, curators, presenters and promoters, as well as community based organizations. One example of the innovation achieved under MHC's new leadership is the utilization of collaborative funding and strategic partnerships to re-strengthen the Plaza's music education program. With support from the Flora Family Foundation, the Castellano Family Foundation, Citibank and the Plaza's earned revenue from its mariachi festival, the Plaza is presently partnering with local and national mariachi performing artists, public school educators, and a regional arts education facility to create a working team that is restructuring the Plaza's in-school music education program. The central aspect of this restructuring is the creation of a written mariachi teaching curriculum that complies with the standards set by the State of California Frameworks for Visual and Performing Arts. This curriculum will offer California's schools and its diverse student population, for the first time, an approved mariachi music instruction framework for grades 4-12.

Organization's Annual Operating Financial Summary

Fiscal Year ends: -- **click to select** --

REVENUES (Cash only. List In-Kind in attachment.)	Cal 06*/FY05-06	Cal 06*/FY05-06	Notes
Admission, Sales, Fees and Interest	(budgeted)**	(year end)	Index
Admissions	197,000	_ 285,343	
Tuition/Workshops	_ 10,725	___14,560	
Contracted Services, i.e. touring	___	___	
Product Sales	_ 10,642	___15,772	
Distribution from Interest & Endowments	___	___	
Other (attach list if more than 10% of subtotal)	289,753	_ 281,904	___ 1
Subtotal Admissions, Sales, etc.	508,120	_ 597,579	
Contributions and Grants (Non-City)			
Individuals	_ 35,000	___24,892	
Businesses	388,700	_ 287,720	
Foundations	660,000	_ 153,500	___ 2
Special Events Income (gross amount)	___	___	
Arts Council of Silicon Valley	___3,500	_____802	
Federal Government	___	___	
State Government	___	___85,000	
Other (attach list if more than 10% of subtotal)	235,000	___	___ 3
Subtotal Non-City Contributions	1,322,200	_ 551,914	
City of San José Contributions and Grants			
FY2005-06 Operating Grant Award	_ 49,435	___64,322	
O&M Subsidy, if applicable	409,618	_ 265,494	
Other (attach list if more than 10% of subtotal)	_ 16,500	___15,961	
Subtotal City Contributions and Grants	475,553	_ 345,777	
Grand Total Revenues	2,305,873	1,495,270	
EXPENSES (Cash only. Detail In-Kind in an attachment.)			
Arts Programs			
Wages and Salaries	116,372	___77,194	
Fees and Honoraria	363,734	_ 207,936	___ 4
Materials and Supplies	_ 12,676	___12,089	
Facilities Rent	___	___	
Other Services (explain in notes)	_ 78,613	___84,391	
Subtotal Program Expenses	571,395	_ 381,610	
Marketing			
Wages and Salaries	_ 15,000	___5,300	
Fees and Honoraria	___	___	
Materials and Supplies	___	___	
Advertising and Collateral	149,755	_ 126,570	___ 5
Other Services (explain in notes)	___3,005	___	
Subtotal Marketing and Sales Expenses	167,760	_ 131,870	
Outreach			
Wages and Salaries	_ 12,930	___	
Fees and Honoraria	___	___	
Materials and Supplies	___1,409	___	
Facilities Rent	___	___	
Other Services (explain in notes)	___	___	
Subtotal Outreach Expenses	_ 14,339	_____0	___ 6

* Please use the same fiscal period you used in your grant application.

** If a revised budget was submitted after the original grant application, please use the revised figures.

Write in name after printing form.

Funds Development			
Wages and Salaries	117,396	_____	___ 7
Fees and Honoraria	_ 68,000	___ 58,664	
Materials and Supplies	___ 4,600	_____ 114	
Special Events Expenses	_____	_____	
Other Services (explain in notes)	___ 9,600	___ 2,871	
Subtotal Development Expenses	199,596	___ 61,649	
Administration and Finance			
Wages and Salaries	626,718	_ 375,103	___ 8
Fees and Honoraria	273,000	_ 146,611	___ 9
Materials and Supplies	_ 46,208	___ 6,423	___ 10
Facilities Rent/Mortgage Costs	_____	_____	
Interest and Fees on Debt Service	_____	_____	
Other Overhead (explain in notes)	402,270	_ 359,680	
Subtotal Admin and Finance Expenses	1,348,196	_ 887,817	
Other (please specify in notes)	_____	_____	
Contingency	_____	_____	
Grand Total Expenses	2,301,286	1,462,946	
Annual Operating Surplus (Loss)	___ 4,587	___ 32,324	
Accumulated Unrestricted Fund Balance (Deficit)	-675,589	-648,370	___ 11

Add the following **financial attachments**:

- Notes** to the Operating Financial Summary. Explain any anomalies, inconsistencies and anything else you think bears explanation. Include lists of various "Other" line items, as needed.
- If your organization had significant **In-Kind** support, attach an itemized list.

OTHER REQUIRED ATTACHMENTS (only one set required)

- PROMOTIONAL MATERIALS**

Please attach a representative sample of printed collateral for your FY2005-06 programs and complete the following information:

After reviewing all print and electronic collateral produced in relation to the funded project(s) -- including brochures and flyers, program booklets, season brochure announcements, newsletters, advertisements, radio and television PSAs, Web announcements and any other materials -- check the appropriate box below. If box 2 is checked, please add the appropriate explanation(s).

- 1. I confirm that the City's grant support was properly acknowledged in all of them.
- 2. I noted that we failed to acknowledge the City's grant support on the following:

Item Without Acknowledgment	Reason

- AUDIT**

If you are in a grant category that required an Audit/Financial Review for FY2004-05 and have not already submitted it, please attach a copy to this report.

Reminder: Please submit TWO Final Report Forms – one original and one copy. Only one set of the representative promotional materials is required, however.