

Discussion Financial Framework – Summative Performance Levels

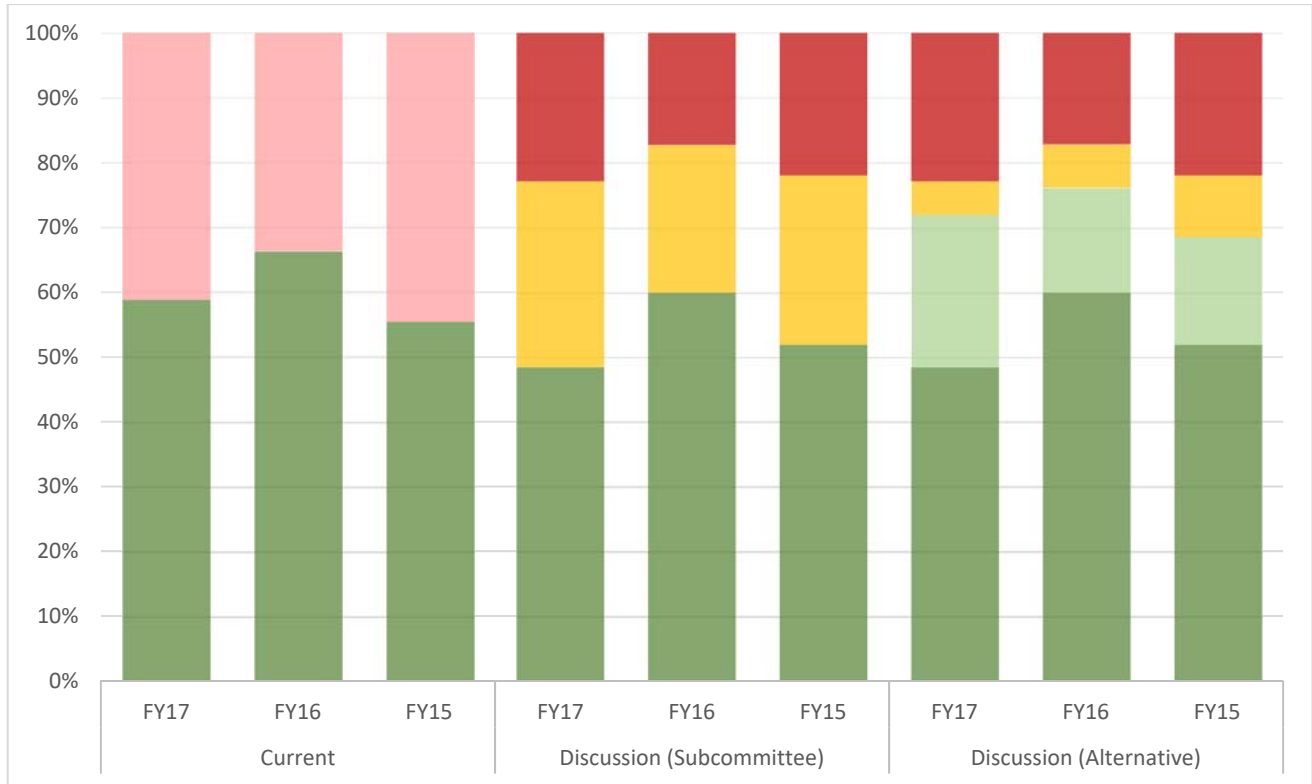
The table below identifies the summative performance levels used in the current financial framework and two options for the discussion framework.¹ The first option – “Discussion (Subcommittee)” – was proposed by the Financial Framework Subcommittee at its September 27, 2018 meeting. The second option – “Discussion (Alternative)” – was prepared by staff for the Subcommittee’s consideration. The chart on page 2 shows the portfolio’s actual performance under the current framework and projected performance under the discussion framework (five measures) for fiscal years 2017, 2016 and 2015.

	Current	Discussion (Subcommittee)	Discussion (Alternative)
# of Levels	2	3	4 (Roll-up to 3 for public dashboard)
Levels	<ul style="list-style-type: none"> ❖ Meets the Board’s Financial Performance Standard (“Meets FPS”) ❖ Does Not Meet the Board’s Financial Performance Standard (“DNM FPS”) 	<ul style="list-style-type: none"> ❖ Good Standing ❖ Adequate Standing ❖ Intervention 	<ul style="list-style-type: none"> ❖ Good Standing ❖ Good Standing with One Approaches ❖ Adequate Standing ❖ Intervention
Level Performance Thresholds	<p>Meets FPS <i>No measures rated Falls Far Below Standard and no more than 1 measure rated Does Not Meet Standard</i></p> <p>DNM FPS <i>One or more measures rated Falls Far Below Standard and/or two or more measures rated Does Not Meet Standard</i></p>	<p>Good Standing <i>No measures rated Below Standard and no measures rated Approaches Standard</i></p> <p>Adequate Standing <i>No measures rated Below Standard and one or more measures rated Approaches Standard</i></p> <p>Intervention <i>One or more measures rated Below Standard</i></p>	<p>Good Standing <i>No measures rated Below Standard and no measures rated Approaches Standard</i></p> <p>Good Standing (1 Approaches) <i>No measures rated Below Standard and one measure rated Approaches Standard</i></p> <p>Adequate Standing <i>No measures rated Below Standard and two or more measures rated Approaches Standard</i></p> <p>Intervention <i>One or more measures rated Below Standard</i></p>

If the Subcommittee decides to use the four levels presented in the “Discussion (Alternative)”, “Good Standing” and “Good Standing (1 Approaches)” would display as “Good Standing” on the public facing dashboard.

¹ The summative performance levels have not yet been distributed for public comment.

For the summative performance levels identified on page 1, the chart below shows the portfolio’s actual performance under the current framework and projected performance under the discussion framework (five measures) for fiscal year 2017 (415 contracts), fiscal year 2016 (410 contracts) and fiscal year 2015 (404 contracts).



Other Items for Discussion

1. Determine whether two or three consecutive years in the “Adequate Standing” level (yellow) should move the charter to the “Intervention” level (red).
2. If the Subcommittee decides to use the four levels presented in the “Discussion (Alternative)” and add an ADM measure, determine if changes should be made to the “Adequate Standing” level, “Good Standing (1 Approaches)” level, or both. For example, would the “Adequate Standing” level simply be changed to two or more Approaches Standard?