

(B) Results of Testing

For each of the specific FIs, VLS performed the appropriate forensic accounting investigation. The results of the work performed are documented in the specific “Results of Testing” section for each of the eleven FIs. In accordance with AICPA professional standards, VLS used a combination of random sampling and judgmental sampling in order to select the samples for testing in the Forensic Accounting Investigation section. A random sample is used so every unit in the population has an equal chance of being selected, while a judgmental sample relies on the auditor’s professional judgment, meant to focus and confirm a condition that is reasonably thought to exist. These sections begin on page ¹³³ and continue through page 359. The “Results of Testing” sections include the following:

- The specific FI work step.
- The results of the work performed in testing the specific work step. This includes, where applicable, the analyses and steps performed, any scope limitations, and other information relevant to the testing of the FI section.
- Conclusions VLS was able to make based on the results of the testing.
- Recommendations VLS has made for the District to implement based on the results of work performed and conclusions reached for each FI work step.
- District Response: VLS submitted to the District in advance of this report only the work step and recommendations related to the FI sections in order to receive a District response. The results of the work performed and the conclusions reached were not shared with the District in advance of this report.

What FI Recommendations Are and What They Mean

VLS has made specific recommendations based on the results of work performed and conclusions reached for the eleven FIs. These recommendations are for the District to consider implementing as they are designed for the purpose of:

- Improving the overall efficiencies and effectiveness in the management and operation of the District Bond Program, and
- Lowering the New Risk Score, where applicable.¹¹³

¹¹³ The following three FI recommendations were included in the “Recommendation” column in the final Risk Assessment Matrix Phase II: FI6-1, FI6-2, and FI6-3.

Additionally, as a result of the work performed, conclusions were reached for certain FI sections [FI (1), FI (3) and FI (10)]. VLS has made a recommendation for the Board to consider referring this report to law enforcement authorities for appropriate action. VLS also recommends that the Board consider consulting with legal counsel for further course of action.

FI recommendations are noted at the end of each FI section. In addition, VLS has listed these recommendations in Table 67 beginning on page 365.

**What follows starting on page 133 are the
Results of Testing for FI (1) - (11)**