

Rules used during audit of banking systems/IT audit

May 2019



Agenda

1. Governance, architecture and use of emerging technologies
2. Functionality
3. Information Security



Governance, Architecture and Use of Emerging Technologies

Does the system utilized in Bank is paying off the investments made into it?

Products that are provided by the system are traceable and system can provide detailed report on the performance (product revenues, expenses) of each product.

IT auditor should assess if the products can be traced for performance and verify data used in calculation of product performance.

Is there strategic development plan of IT that provides clear picture of state/architecture of the Banking system for the strategic period?

Strategic plan should be based on analysis of strategic business goals and the current state of the audited system with concrete steps that define target state/architecture of audited system.

Plan should be analyzed by IT auditors for reasonableness (i.e. not risky of use of emerging technologies, complexity of architecture etc.).

Is there a Service Level Agreement between IT function and business of audited system service?

Service Level Agreement (SLA) between IT function and business covers services provided by IT function to best match capacity of automated banking system to the needs of the business.

IT auditor should assess SLA for the completeness of services provided by IT function and ensure that services are equipped with relevant KPIs to assess the IT function performance.

Functionality

Does functionality of system have adequate coverage of business needs?

Automated banking system should be able to provide necessary functionality and meet the demand of the business needs.

IT auditor should assess functionality coverage and come with analysis of existing functionality using several dimensions such as cost/benefit, usefulness, time efficiency etc. In other words report/analysis should define how efforts in automating of certain area will benefit bank.

Are the system of the bank adjustable and flexible for the implementation and integration of the new functions?

Banking application landscapes focuses on flexibility and recommends a standard and uniform interfaces between systems and may involve for example the use of an integration bus in the center of the application landscape.

IT auditor should assess architecture of IT landscape of the Bank to find bottlenecks in existing architecture.

Security

Is information security compliant with the requirements of the industry, regulators and business?

Compliance with automated banking system requirements must be one of the most important tasks for the Bank including: regulatory compliance management, policies and standard management, policy and compliance to standard.

IT auditor should assess information security of the audited system based on the standards is designed for automated banking system.

Are the key information resources of the system secured properly?

Access to key information in banking system should be limited. Information should be encrypted. Periodic monitoring is needed for identification of threats and elimination of them.

IT auditor should assess access management process and encryption mechanism for weaknesses. Plan and content of the monitoring should be reviewed by IT auditor in order to ensure that monitoring is relevant for banking system.

Thank you

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