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Audit of Treasury Management System & Front Office Applications

(Finacle Treasury, Flexcube, Refinitiv/Reuters, Bloomberg)

By

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About the Author

A Certified Information Systems Auditor (CISA), PECB certified Lead Auditor in ISO 27001 (Information Security Management System), ISO 22301 (Business Continuity Management System), ISO 20000 (IT Service Management System) and Lead Cyber Security Manager (ISO 27032), Nwabueze Ohia is a seasoned Information Assurance and Cyber Security professional/expert with over 14 years working experience in consulting and full-time employment. He has worked in the banking sector in Nigeria as IT Security Auditor and information security practitioner with experience spanning information systems audit and assurance, information/cyber security, technical infrastructure security/assurance, system controls analyst, IT risk analyst, data analyst and consultant. He is an expert in the development of audit work programs, checklists and risk assessment template that conform to Institute of Internal Auditors (IIA) standard, which practitioners has found useful in the discharge of their assurance functions. With his rich knowledge of the financial services sector and underlining security/controls required of systems and IT infrastructure in the sector, his eBooks, educational and professional materials, which are result oriented and tailored towards addressing information security issues have assisted practitioners within Nigeria, Sub-Sahara Africa and beyond in addressing risk in the ever changing and dynamic control environment. Beyond the financial services sector, practitioners in other industries such as insurance, telecommunication, web hosting, Internet service providers, SaaS, cloud service provider, distribution & supply chain management, shipping, oil & gas, etc., have leveraged on materials produced by Nwabueze to excel in their endeavors.

Nwabueze Ohia has written several educational and professional materials in the field of information assurance, information/cyber security and technical infrastructures, which are published on his website (<http://oxleyconsults.com.ng>). In addition, he has four books to his credit, which he self-published on Amazon Kindle Book store as well as other ebook platforms across the globe. His wealth of experience in information assurance and cyber security consulting as well as working in financial service sector are brought to bear on all his published materials/eBooks as an experience professional with practical/hands-on perspective. He holds a Higher National Diploma (HND) in Electrical/Electronics Engineering (Telecommunications) from Federal Polytechnic Nekede Owerri, a Bachelor of Technology (B. Tech) degree in Information Management Technology (IMT) and recently completed Master of Science Degree (MSc) in Information Management Technology (IMT) from Federal University of Technology Owerri, Imo State. This is in addition to series of professional/technical training courses he has attended in the course of his career, which endorsing him as a subject matter expert in his chosen profession.

Nwabueze Ohia is passionate about giving back to the internet and the knowledgebase of his chosen profession, having greatly been enriched by same, which he has demonstrated through several writeups, articles and professional papers published on his website for other to read and be enriched including guest posting on other professional web platforms. He finds joy and fulfillment in extending helping hands to the needy and the downtrodden of our society. His hobbies are traveling round the world, soccer, lawn tennis and above all, web application development/programming. Born in 1983 to Nigerian parents from the Eastern part of the country, he is happily married with a daughter.

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Preface

By Nwabueze Ohia

Treasury management system fundamentally drives the treasury front office, middle office and back office operations of any financial institution. It automates, record and control the core treasury functions related to both local and foreign currency dealings. Its primary objective is to enable full (end-to-end) straight through processing (STP) that automates all standard (day-to-day) local and foreign currency treasury processes which facilitates real-time information and compliance to internal policies and external laws/regulations.

Auditing treasury management system has remained a daunting task for Information System Auditors and Assurance professionals in the industry. Being a slightly unconventional system, it is important for IT Assurance professional to build the required capacity to provide assurance around the system. Given the central role the treasury management system in enabling the treasury front office function, it is important for IT assurance professionals to build capacity necessary to carryout effective audit of the system. This is in addition to being familiar with local regulations and policies that drive the treasury management business. For effective audit of the system, it is important for Information Systems Auditors and other IT Assurance professionals to develop a robust and comprehensive audit program that can be used to validate operational, regulatory and business controls to protect the system from the risk of confidentiality, integrity and availability.

This eBook was put together to close identified knowledge/skill gaps in the auditing and security review of treasury front office application by IT Auditors and other Assurance professionals. As an audit program/checklist, the book provides a step by step do-it-yourself guide on how to review the various aspects of the treasury management system by outline test procedures to be performed to assure the adequacy and effectiveness of technical, operational controls in and around the treasury management system and treasury front office function. From full product/asset coverage e.g. money market (bonds, treasury bills, commercial papers), securities (commercial loans), foreign exchange, cash to Static data management (customers and counterparties information), reporting facility, automation of standard local currency treasury transactions and accounting entries end-to-end, workflow and security controls, were effectively covered. This book serves for use in auditing some of the popular treasury management systems such as Finacle Treasury, Flexcube, etc., given similarities in their architecture. The following areas of the treasury management system and operational processes were covered.

- Logical access management (user access management)
- Separation of duties (workflow management and maker/checker controls)

- Portfolio and dealing limit management
- Application security.
- Straight through processing (STP)
- Validation of treasury front office, middle & back office processes.
- Data backup and restoration.
- Application support and scripting/development.
- Business continuity management and disaster recovery.
- Change management.
- Log management.

Intended for organizations desirous of building requirement of automation of its treasury front office, middle office and back office functions from ground up. IS/IT auditors, System control & IT risk analyst will find this book very useful for continuous review of their treasury front office function and ensuring that the system remain secure and relevant for the treasury business function. Below is a sample page of the treasury management system audit checklist/program. For full access to the document, you can subscribe to our membership plan or purchase the book by click the Buy Now or Add to Cart button below.

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