

Examination Work Program
Information Technology
As of XXXXXX

1) *Organizational structure*

Evaluate the effectiveness of the functional organization, reporting structure, staffing, primary duties, responsibilities and technical expertise, segregation of duties, cross-training, coordination with other departments and changes in the foregoing since the last examination.

2) *Establishment of risk tolerances and development of key policies and oversight by the board of directors. Adequacy of senior management and the risk management function.*

Assess risk tolerances, the development of key policies, and oversight by the board of directors. Evaluate the adequacy of senior management oversight and the risk management function for information technology activities, as applicable.

3) *Key FHLBank policies and procedures*

Identify and evaluate key FHLBank information technology policies and procedures. Determine if the policies and procedures promote a sound technology control environment that ensures integrity of financial data.

4) *Risk assessment under Part 917 and internal control evaluation under SARBOX*

Evaluate the effectiveness of the annual risk assessment under Part 917 and the internal control assessment under SARBOX applicable to information technology activities, as well as procedures implemented to periodically attest to the adequacy of the control environment.

5) *Testing performed by external audit, internal audit or consultants*

Evaluate testing performed by the FHLBank's external auditors, internal auditors or consultants of controls over its information technology activities.

6) *Information Security Administration*

Evaluate the effectiveness of the enterprise-wide information security administration of the organization, taking into consideration internal and external threats to data.

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7) Identification and evaluation of controls and significant changes to the activity or function

Evaluate the dataflow and processes as well as controls, including the level and direction of risk and the quality of risk management. If applicable, conduct an assessment of any significant changes to information technology that have been implemented since the last examination or are being considered that may affect the FHLBank's operational risk profile.

8) Testing

Conduct testing as appropriate. The scope of testing should be based on the preliminary review of governance, risk management, internal controls and audit coverage.

9) Assessment of Risks

Summarize the results of the activity or function examined in a separate memorandum. The memorandum must articulate the risks and the management of those risks. It should also clearly and specifically describe the basis and analysis for the assessment. The memorandum should discuss the type(s) of risk (market, credit, operational); the level of risk (low, moderate, high); the direction of risk (stable, decreasing, increasing); and the quality of risk management (strong, adequate, weak). A memorandum must be prepared irrespective of whether the examiner's assessment is positive or negative.

10) Items requiring follow-up at the next on-site visitation

Identify key issues that have been communicated to management (written or oral) that require follow-up during the next on-site visitation.