



Coláiste na Tríonóide, Baile Átha Cliath  
Trinity College Dublin

Ollscoil Átha Cliath | The University of Dublin

Ms Margaret Falsey  
Committee of Public Accounts  
Leinster House  
Dublin 2

REF: PAC32-I-1024

23rd July 2018

Dear Ms Falsey,

I refer to your letter of 18<sup>th</sup> July and the request for further information on the cyber fraud on the Trinity Foundation in 2017. As you know, the Provost set out in his letter of 9<sup>th</sup> July (copy attached) the information in relation to the circumstances that gave rise to the incident, the amount of money recovered to date, the impact on the funding streams from the Foundation to the University and the steps taken to prevent any occurrence of such an incident again.

I understand that the Committee would like a detailed breakdown on the costs that have been incurred to date and the Provost has asked me to provide you with that information.

As set out in the Provost's letter of 9<sup>th</sup> July, of the amount originally defrauded, an amount of €217,810 has been recovered to date and at this stage the loss, including the cost of investigation and other ancillary costs, amounts to €974,781 as set out in the Consolidated Financial Statements for the Year Ended 30 September 2017.

Of that amount the losses incurred by fraudulent payments amounts to €790,741. That amount is subject to an ongoing investigation by police and state authorities in Ireland, the UK and Germany with the aim of recovering as much as possible of the loss. The University is also pursuing the matter with its insurers, also with a view to recovering the losses.

Of the remaining amount of €184,040, fraud investigation costs account for €60,311 including payments of €37,121 to BDO to carry out a specialist forensic IT investigation. The amount also includes legal costs of €21,578 incurred in Ireland, the UK and Germany in continuing action to recover the money through legal channels. In addition, the matter was reported to the Data Protection Commissioner's Office and the Charities Regulatory Authority and follow up actions as appropriate have been taken.

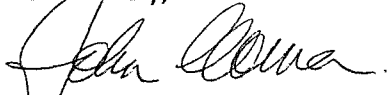


The remainder related to employment law costs including solicitor and barrister costs of €54,979.

I would also like to clarify the previous statement that the University has covered the loss from its commercial revenues and therefore there was no loss to donor funds and no impact to any of the projects supported by philanthropic funding. To be more specific the amount will be funded from revenue generated by visitors to the campus to view the Book of Kells and the Old Library.

Please let me know if the Committee has any further queries.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Coman', written in a cursive style.

John Coman  
Secretary to the College





**Trinity College Dublin**  
Coláiste na Tríonóide, Baile Átha Cliath  
The University of Dublin

Ms Margaret Falsey  
Committee of Public Accounts  
Leinster House  
Dublin 2

REF: PAC31-I-982

9th July 2018

Dear Ms Falsey,

I refer to your letter of June 26th and the request for further information on the cyber fraud on the Trinity Foundation in 2017. I have set the University's response to your specific questions below:

**The circumstances that gave rise to the incident:**

In early 2017 unauthorised access by a third party to the email account of an employee of Trinity Foundation (TF) resulted in the authorisation of fraudulent payments to individuals unconnected to Trinity College Dublin (TCD) or Trinity Foundation.

**Has the money been recovered:**

Of the original amount defrauded €217,810 has since been recovered. The remainder is subject to an ongoing investigation by police and state authorities in Ireland, the UK and Germany. The University is also pursuing the matter with its insurers. At this stage the loss, including the cost of investigation and other ancillary costs, amounts to €974,781.

**The impact that this has had on funding streams from the Foundation to the University:**

As outlined at the time the University has covered the loss from its commercial revenues and therefore there was no loss to donor funds and no impact to any of the projects supported by philanthropic funding.

Patrick Prendergast BA (DUBL), BA I (DUBL), PH.D. (DUBL), SC.D. (DUBL), C.ENG., FIEI, MRIA, FRÉI  
Provost & President

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**The steps taken to prevent any occurrence of such an incident again:**

Once the fraud was detected the ability to make payments from Trinity Foundation bank accounts by TF staff was removed and transferred to the TCD Financial Services Division (FSD). FSD have remained in the role of 'paymasters' for TF and while payments are initiated by TF staff and approved by the new Director of Advancement within TF, they are activated by FSD staff and ultimately authorised by the University's Chief Financial Officer. TF have now commenced a project to upgrade its Financial Accounting System to Oracle with a go-live date of 1 October 2018. This Financial Information System is compatible to that which exists within the University and will further enhance the internal control environment within the Foundation.

In addition to this FSD have engaged a Finance Manager to provide the finance function for TF under a Service Level Agreement.

TCD Internal Audit carried out an initial review of the Fraud and subsequently a more detailed review of TF operations and issued a number of recommendations from these reviews. In response TF have prepared an action plan to address these recommendations which has been approved by TCD Audit Committee and which is subject to ongoing monitoring by FSD and the TF Audit Committee.

TF has created the role of Director of Operations to oversee Data/IT, Finance, HR, Planning and Risk and this role has been filled by seconding a member of the FSD senior management team. TF engaged the services of BDO to carry out a Data Protection Impact Assessment (DPIA) which made a number of recommendations which are being actioned by the IT manager and his team. In addition, the matter was reported to the Data Protection Commissioner's Office and follow up actions as appropriate have been taken.

Please let me know if the Committee have any further queries.

Yours sincerely,



Patrick Prendergast  
PROVOST

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Yours sincerely,



Patrick Prendergast  
PROVOST

