

**UNIVERSITY OF EDINBURGH USA DEVELOPMENT TRUST, INC.
MANAGEMENT RECOMMENDATION LETTER
FOR THE YEAR ENDED DECEMBER 31, 2014**

LEDERER, LEVINE & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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January 29, 2015

The Board of Directors
University of Edinburgh USA Development Trust, Inc.

In planning and performing our audit of the financial statements of University of Edinburgh USA Development Trust, Inc. (the "Organization") as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting ("internal control") as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider item 1 in the attachment to this letter to be a significant deficiency in internal control.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the Organization. It is not intended to be, and should not be, used by anyone other than these specified parties.


Lederer, Levine & Associates, LLC

RECOMMENDATION 1: Pledge Receivables

During our audit, it was noted that a prior years pledge receivable was incorrectly paid by the donor directly to the University of Edinburgh and not the Organization. Management was not aware of this payment.

We recommend that management review and follow up on all pledges throughout the year to make sure that payments are current. Donors must be informed that all pledges are to be paid to the Organization.