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SRI LANKA TRANSITION INITIATIVES PROGRAM

QUARTERLY REPORT

JANUARY 2009 – MARCH 2009

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PROJECT OVERVIEW

The genesis of the OTI program in Sri Lanka dates back to late 2002 when an assessment mission concluded that the peace initiative taking shape at that time had the best chance of any to date in bringing sustainable peace to the country: after 20 years of civil war, the Government of Sri Lanka (GoSL) and the Liberation Tigers of Tamil Eelam (LTTE) signed a Cease Fire Agreement in February of 2002. Formal peace talks began seven months later, facilitated by the Government of Norway. In the weeks that followed the commencement of the talks, the parties demonstrated willingness to compromise on controversial issues in an effort to make tangible progress towards a negotiated settlement. OTI concurred with the assessment and the Sri Lanka program was opened in February of 2003.

On 29 July 2004, Development Alternatives, Inc. (DAI) signed contract number OTI-D-00-04-00023-00 Sri Lanka Transition Initiatives (SLTI) with USAID's Office of Transition Initiatives (OTI) to continue implementation of the OTI Sri Lanka program. The contract replaced Contract No. AOT-I-03-98-00199-00 executed under the SWIFT I IQC.

OTI's overall objective in Sri Lanka was to generate greater support for a negotiated settlement of the conflict. The program planned to achieve this objective through the funding of activities under two sub-objectives. The first sub-objective was to increase awareness and/or understanding of key transition issues; illustrative activities included workshops on federalism, peace-themed arts performances and interactive dialogue. The second sub-objective was to increase collaboration and participation among diverse groups to set and/or address priorities; activities funded under this sub-objective include rehabilitation of community infrastructure with active local stakeholder participation, community dialogues and advocacy campaigns.

The December 26, 2004 tsunami created unprecedented destruction to over two-thirds of the coastline of Sri Lanka, including many of the conflict-affected and conflict-vulnerable communities targeted by SLTI's grant-funded activities prior to December 2004. SLTI responded in the immediate aftermath of the tragedy, and then transitioned towards recovery programs –first with funds from OFDA followed by supplemental funding earmarked by Congress– which fully incorporated SLTI's peace-building mandate into the grant-funded activities designed for tsunami-affected communities.

After the initial thirty-two months of contract OTI-D-00-04-00023-00 implementation, from August 1, 2004 to March 15, 2007, OTI handed over the management of the program to the USAID Sri Lanka Mission.

In July 2008, USAID, with funding from the U.S. Department of Defense's Overseas Humanitarian Disaster and Civic Aid (OHDACA) appropriation, through the U.S. Pacific Command (PACOM), directed the SLTI program to support the return of displaced persons to their Eastern Province communities of origin after armed hostilities in 2006 and 2007 between the LTTE and the GoSL. The aforementioned funds will support rehabilitation of schools and health facilities that directly or indirectly meet critical humanitarian needs – including the restoration of livelihoods – of affected populations in these areas, which are now under GoSL control. SLTI contract was extended until July 31, 2009 to meet this objective.

The initial tranche of \$2.42 million from PACOM is intended to cover the cost of designing, building or rehabilitating, and providing quality assurance for projects within seven divisions of the Batticaloa and Trincomalee districts. Projects were identified in collaboration with the U.S. Army Corps of Engineers. Projects were chosen based on needs identified by relevant government authorities and international agencies, coupled with OHDACA funding criteria. The Contracting Officer Technical Representative (COTR), in consultation with PACOM, decided the final allocation of resources among the proposed projects for PACOM funding FY08-09 based on DAI's recommendations.

The primary objective of this particular funding is to ensure the timely completion of high-quality infrastructure projects that have a humanitarian impact. The process to ensure positive results include fostering community participation and ownership, and engaging the local and regional government authorities responsible for serving these communities.

PROGRAMMING

COUNTRY SITUATION DURING THE PERIOD

The political and security situation continued the volatile trend as experienced in the months preceding this reporting period.

The reporting period saw the continuing onward thrust of the government military operations aimed at liberating areas under LTTE dominance and control. On January 2, 2009, the government announced a major victory with the forces capturing the de-facto LTTE capital of Kilinochchi. The ability of the forces to bring under government control the perceived LTTE bastion, could be termed a defining moment in the three-decade-long conflict, with the military then continuing with a string of victories bringing under government control numerous villages and towns within the Kilinochchi district. The continued war-like situation escalated into a humanitarian crisis, with the massive displacement of thousands of civilians, all of whom had to be accommodated within the limited IDP camps on the southern border of Vavuniya district. The overall safety and security of the civilians in the area and within the camps continue to cause deep concern at both local and international levels. The UN, governments of India and several western states reiterated their calls for a cessation of hostilities between the government and the LTTE to permit safe passage for the hundreds of thousand of civilians trapped in the areas of fighting. The LTTE resorted to the use of suicide bombers, and direct firing on civilians, to prevent the mass exodus of people crossing over to government declared safe zones. The international outcry was largely ignored by both parties and military offensives continued unabated.

Despite the reported heavy losses on the battle front, the LTTE launched another aerial attack on the city of Colombo on the night of 20 February. Detected by government military radars, the two light-wing aircrafts were tracked and shot down by anti-aircraft fire, with one of the two planes crashing into the Department of Inland Revenue building, destroying its 12th floor and damaging several other floors and buildings in the vicinity. The second aircraft was destroyed by the military and crashed into an open field in close proximity to the Katunayake airport and air force base.

On an international level, the Sri Lanka national cricket team came under terrorist attack on March 3, 2009 in the city of Lahore in Pakistan. At national level, a suicide bomb attack in Akuressa in the Galle District, on March 11, 2009 targeted dignitaries attending a celebrations to commemorate the Islamic festival of Prophet Mohamed's birthday. Several local government officials were killed and central government Minister, Mahinda Wijesekara was seriously injured in this attack.

The trend of increased violence within the Batticaloa district continued into this quarter. Incidents of assault, killings, abductions and robbery continue to be reported on a daily basis with dramatic increases in cases of kidnapping and killing for high-value ransom payments. Checkpoints and routine round ups continue within the district and intensified immediately following any significant attack or incident of violence.

The situation did not pose a direct and immediate danger to SLTI's work in the East, although LTTE efforts to destabilize the region with small-scale attacks on police and security forces are likely to continue. Suspected LTTE gangs, attacked a border village within the Ampara district, and killed 14 villagers within the night. It continues to be not uncommon to regularly see armed youth of the Paramilitary groups seated on the roadside along the routes project staff and construction subcontractors use to access some of the project sites.

The ruling UPFA government came out victorious in the Central and North Western Provincial Council elections held on February 14, 2009. With the election victories in these two councils, the President dissolved the Western Provincial council and closed nominations for the elections of the council on February 28, 2009, with the election date being set for 25 April 2009.

OVERALL PROGRAMMING

During the reporting period, DAI together with the Architectural and Engineering consultants completed the award of tenders to four construction contractors, based on the agreed clustering of projects determined at the end of the last reporting period. Subsequent to the award of all subcontracts, the ground breaking ceremonies were held and construction work commenced on all eight project sites. DAI staff continued the frequent field visits to the project sites and further discussions with the stakeholders.

The ground breaking ceremonies on the eight PACOM-funded project sites were scheduled for the week of January 12, 2009. DAI staff members coordinated the logistics and preparations for the events and contacted the relevant local and provincial authorities, School Principals, subcontractors and other key actors to secure their active participation in the events together with the communities these projects benefit. The response was very positive and the communities mobilized in support of the events. The logistics and plans for the ceremonies were adapted to swiftly respond to changes in the schedule which were required by high-level participants' tight agenda during that week.

On Monday January 12, 2009, HE Robert Blake, US Ambassador, together with Rebecca Cohn, USAID Mission Director, Flynn Fuller, USAID Washington, Maj. Jose L. Orozco, Office of Defense Cooperation, and USAID's Mike DeSisti, Humanitarian Assistance & Transition Initiatives Office Director, and Lorna Middleborough from Public Affairs, participated in the ground breaking ceremonies of Pulipanjakal GTMS primary school and Navatkadu (CD & MH) Hospital in the Batticaloa District. On Tuesday January 13 2009, Rebecca Cohn, Flynn Fuller, Maj. Jose L. Orozco, Mike DeSisti and Lorna Middleborough participated in the ground breaking ceremony of the Arasadathivu Vigneswara school in the Batticaloa District. DAI staff members Sudharshini Dharmawardane, Operations Manager, Dr. Joseph Thanarajah, Senior Infrastructure Manager, P. Muralitharan, Program Development Officer, Anton Thambimuttu, Infrastructure Officer, Richard Welington, Technical Officer, attended all three events.

On January 15, 2009, Maj. Jose L. Orozco, Kristin Joplin, USAID's Humanitarian Assistance & Transition Initiatives Deputy Office Director, and Lorna Middleborough participated in the ground breaking ceremonies of the Amman Nagar and Arafar Nagar schools in the Mutthur division of the Trincomalee district. On Friday January 16, 2009 the same team participated in the ground breaking ceremonies of the Thiruvalluvar and Illangathurai Mugathuvaram schools in the Eachilampattai division of the Trincomalee District. DAI staff members Ignacio Sainz, Chief of Party, Dr. Joseph Thanarajah, P. Muralitharan, Anton Thambimuttu, Richard Welington attended all four ceremonies.

In the afternoon of January 16, 2009, a PACOM delegation led by Maj. General T.L. Conant, USPACOM J5, Director of Strategic Planning and Policy, and three staff officers of USPACOM J5, together with Rebecca Cohn, Maj. Jose L Orozco, Kristin Joplin and Lorna Middleborough participated in the ground breaking ceremony of the Punnayadi Namagal school in the Eachilampattai division of the Trincomalee District. DAI staff Ignacio Sainz, Dr. Joseph Thanarajah, P Muralitharan, Anton Thambimuttu, and Richard Welington also attended this ceremony.

DAI received praise for the work done. Maj. General Conant, Flynn Fuller, Ambassador Blake, Maj. Orozco and the Mission Director were “exceptionally pleased” with the events and the projects underway. COTR send a complimentary thank you email to all DAI staff who contributed to the success of the events.

PACOM’s South Asia Country Director LTC Michael C. Pettigrew suggested, in conversations during that week, an integrated enhancement for all FY08 PACOM-funded facilities beyond the original scope of work and the exclusive focus on construction of classrooms. This suggestion for a wider scope was welcomed by both the USAID Mission Director and the DAI Chief of Party who saw this opening as an opportunity to generate a better final product; initial discussions about the scoping and estimating for supply of electricity, water & sanitation, and the provision of furniture, equipment, and staff quarters began immediately. Upon request, DAI prepared an estimate budget for the above supplemental work and submitted it to USAID in the first week of February 2009. Although there have been indications that the supplemental funding to carry out this work was available, as at the end of this reporting period no instructions to initiate the work have been given nor funds committed to the SLTI contract.

During a meeting with the SLTI management team in Colombo in February 2009, SLTI’s COTR Mike DeSisti, discussed the future management structure of the program from the USAID end and introduced Kristin Joplin, Humanitarian Assistance & Transition Initiatives Deputy Office Director, as the main focal point for the PACOM-funded projects. While the function of the COTR continued to be under Mike’s purview all day-to-day implementation and management tasks would from this point onwards be under the purview of Kristin Joplin.

In February 21 – 28, 2009, DAI staff members Dr. Joseph Thanarajah, Anton Thambimuttu and Richard Welington accompanied LTC Max Diaz and Maj. Phillip Johnson of PACOM, USAID’s Senior Engineer Auff Magbool and Kristin Joplin on a field visit to currently approved projects and also revisited proposed FY09 PACOM project sites. The purpose of this visit was to finalize the approval of these proposed FY09 projects and secure PACOM’s funding commitments. As at the end of this reporting period there has been no final confirmation of whether these FY09 projects will be funded.

IMPLEMENTATION

DAI programming staff continued to engage with field-level stakeholders in planning the details for the ground breaking ceremonies that were held in January 2009.

Implementation activities on project sites commenced and progressed well according to the approved timelines during this period. Although initial slowing of work was experienced in some areas due to continued heavy rain soon after the ground breaking ceremonies, construction continued at a steady pace after the rains ceased and significant progress was noted within the first 90 days.

DAI staff monitored activities closely throughout the reporting period and engaged on daily basis with mmGS' staff and all four construction contractors regarding all technical and non-technical aspects of the projects implementation; ensured effective quality controls were in place; and, enforced that all necessary safety measures were observed on the construction sites at all times.

As part of the management of the subcontract of the A&E consultancy firm, DAI and mmGS had several rounds of meetings both in Colombo and at the projects' sites, to monitor and evaluate the progress of and identify issues within the subcontractor performance, and then agree on remedial steps to address identified issues.

The reporting period saw the disbursement of USD 439,917 in the form of mobilization advances and interim payments to the A&E subcontractor and construction sub contractors for work completed during the period.

OPERATIONS

CONTRACTS

Based on USAID's Regional Contracting Officer determination regarding grant awards, the SLTI contract modification number 14 submitted during the last quarter of 2008 was signed on January 27, 2009.

PROCUREMENT

In January, DAI awarded the last of the four subcontracts. The award was made to M/s Anjana Constructions for construction activities for the Navatkadu Central Dispensary and Maternity Hospital project (project code: H2).

Package Cluster	Invitation to Bid	Bid Closed	CO Approval	PO Awarded
Package IV	23 December	30 December	7 January 2009	7 January 2009

ADMINISTRATION

One quarterly VAT report was submitted to USAID on 5 March, covering the months of December 2008, January and February 2009.

All required documentation, including letters of support from the Ministry of Nation Building and the District Secretary for Batticaloa, were submitted to USAID in preparation for the renewal of DAI's VAT exemption, which is due to expire on April 9, 2009. The VAT exemption renewal is pending approval as of this reporting period's end date.

STAFFING

The reporting period was characterized by a stabilization of the staffing levels and operations after large downsizing exercises and restructuring efforts carried out in previous months to fully adjust to the current program needs. SLTI's organizational chart shows eleven staff by the end of this reporting period.

Operating from the Colombo and Batticaloa project offices, no new recruitment took place within the reporting period and, with the program moving into total implementation, the program development function was phased out.

Staffing changes during the reporting period are summarized below:

- Paramasivam Muralitharan, Program Development Officer, based in Batticaloa departed SLTI on 31 January 2009. The Program Development position was made redundant after that date.

SECURITY

This reporting period saw continued violence and several security incidents across the country including the capital city. However, to date, these incidents of continued violence, abductions and killings within the eastern province, have not impeded DAI staff to travel regularly to and from the project sites. USAID made a direct request to the Ministry of Defense to obtain security travel passes for a six-month period for DAI staff and contractors visiting the project sites in the districts of Trincomalee and Batticaloa. Approval of the request is pending as of the end of this reporting period.

It has been reported an increase in security incidents and more stringent security checks in the areas bordering the eastern province, with a higher number of check points being established and more intense checking and searching of vehicles.

A brief chronological record of the incidents within the period is summarized as follows:

- January 2 – Government of Sri Lanka military forces recapture Kilinochchi town in the LTTE-held Wannai area to bring it under government control for the first time in 19 years.
- January 2 - March 10 – Government forces push forward in their march to liberate more towns and villages within the Kilinochchi district.
- January 21 – Claymore attack in Batticaloa town killed two and injured many.
- January 25 – Reported abduction of a Muslim youth in Kattankudy sparks protests and closure of some shops in Kattankudy. No further incidents reported since the morning of the 26th.
- February 9 – Suspected LTTE suicide cadre detonates herself and kills 28 at check point screening IDPs crossing over from military zones. Reports of LTTE firing at civilians attempting to leave areas where military operations are taking place.
- February 10 – Claymore attack targeting STF personnel between Panama and Okanda killing 2 STF members, and injuring civilians.
- February 20 – Two LTTE aircrafts heading into the city are detected, tracked and destroyed by military anti-aircraft fire. One plane crashes into Department of Inland Revenue, while the second plane crashes into an open field in close proximity to the International airport, and main air force base.
- February 21 – Suspected LTTE gang attacks and kills 14 farmers in border village in the Ampara district.
- March 2 – Disturbance and unrest among invitees to a function at an Agrarian Centre, in Kattankudy when a weapon of a security person accidentally misfired. Due to the volatile nature of the area, and how quickly minor incidents had the potential to spiral into

widespread violence, measures were swiftly put into place to ensure situation was controlled without any further incident.

- March 3 – Sri Lanka cricket team came under terrorist attack in Lahore, Pakistan causing nationwide alarm. Worldwide media gave broad coverage to the incident, with reports that it was the first attack on a national sports team, since the Munich games.
- March 11 – Suspected suicide bomb attack at Muslim Religious festival in Akuressa, Matara, killed 17 and injured several. Among those killed were several local government officials (chairman/deputy chairman of the Pradeshiya Sabhas in the area). Minister Mahinda Wijesekera was severely injured and airlifted to Colombo for treatment. Minister Fowzie, who was also in attendance, was unhurt in the attack

Annex A

SRI LANKA TRANSITION INITIATIVES EXPENDITURE ANALYSIS (US\$)
As of July 31, 2008

I. Vouchered Expenditures vs. Contract Funds

CLIN	SLTI Contract Amount	1st Quarter Year 4 Aug-Oct 07	2nd Quarter Year 4 Nov 07-Jan 08	3rd Quarter Year 4 Feb-Apr08	4th Quarter Year 4 May-Jul08	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,928,038	\$ 611,915	\$ 585,361	\$ 510,141	\$ 560,628	\$ 9,278,020	\$ 1,650,018	84.90%
CLIN 002 Fixed Fee	\$ 764,963	\$ 42,767	\$ 40,975	\$ 35,710	\$ 39,244	\$ 649,461	\$ 115,501	84.90%
Subtotal Ops & Fee	\$ 11,693,001	\$ 654,682	\$ 626,336	\$ 545,851	\$ 599,871	\$ 9,927,482	\$ 1,765,519	84.90%
CLIN 003 Grants	\$ 32,653,921	\$ 2,822,693	\$ 2,845,187	\$ 2,776,216	\$ 1,479,025	\$ 28,348,161	\$ 4,305,760	86.81%
CLIN 004 Grant Fee	\$ 653,078	\$ 56,454	\$ 56,904	\$ 55,524	\$ 29,580	\$ 566,963	\$ 86,115	86.81%
Subtotal Grants & Fee	\$ 33,306,999	\$ 2,879,147	\$ 2,902,090	\$ 2,831,740	\$ 1,508,605	\$ 28,915,124	\$ 4,391,876	86.81%
GRAND TOTAL	\$ 45,000,000	\$ 3,533,829	\$ 3,528,427	\$ 3,377,591	\$ 2,108,477	\$ 38,842,605	\$ 6,157,395	86.32%

* This table represents expenditures invoiced by DAI to USAID versus funds budgeted in the contract.

II. Vouchered Expenditures vs. Contract Obligated Funds

CLIN	SLTI Obligated Amount	1st Quarter Year 4 Aug-Oct 07	2nd Quarter Year 4 Nov 07-Jan 08	3rd Quarter Year 4 Feb-Apr08	4th Quarter Year 4 May-Jul08	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,509,877	\$ 611,915	\$ 585,361	\$ 510,141	\$ 560,628	\$ 9,278,020	\$ 1,231,857	88.28%
CLIN 002 Fixed Fee	\$ 735,691	\$ 42,767	\$ 40,975	\$ 35,710	\$ 39,244	\$ 649,461	\$ 86,230	88.28%
Subtotal Ops & Fee	\$ 11,245,568	\$ 654,682	\$ 626,336	\$ 545,851	\$ 599,871	\$ 9,927,482	\$ 1,318,087	88.28%
CLIN 003 Grants	\$ 30,152,054	\$ 2,822,693	\$ 2,845,187	\$ 2,776,216	\$ 1,479,025	\$ 28,348,161	\$ 1,803,893	94.02%
CLIN 004 Grant Fee	\$ 603,041	\$ 56,454	\$ 56,904	\$ 55,524	\$ 29,580	\$ 566,963	\$ 36,078	94.02%
Subtotal Grants & Fee	\$ 30,755,095	\$ 2,879,147	\$ 2,902,090	\$ 2,831,740	\$ 1,508,605	\$ 28,915,124	\$ 1,839,971	94.02%
GRAND TOTAL	\$ 42,000,663	\$ 3,533,829	\$ 3,528,427	\$ 3,377,591	\$ 2,108,477	\$ 38,842,605	\$ 3,158,058	92.48%

* This table represents expenditures invoiced by DAI to USAID versus funds obligated to the contract.

SRI LANKA TRANSITION INITIATIVES EXPENDITURE ANALYSIS (US\$)
As of July 31, 2008

III. Operations Expenditures & Grant Obligations vs. Contract Funds

CLIN	SLTI Contract Amount	1st Quarter Year 4 Aug-Oct 07	2nd Quarter Year 4 Nov 07-Jan 08	3rd Quarter Year 4 Feb-Apr08	4th Quarter Year 4 May-Jul08	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,928,038	\$ 611,915	\$ 585,361	\$ 510,141	\$ 560,628	\$ 9,278,020	\$ 1,650,018	84.90%
CLIN 002 Fixed Fee	\$ 764,963	\$ 42,767	\$ 40,975	\$ 35,710	\$ 39,244	\$ 649,461	\$ 115,501	84.90%
Subtotal Ops & Fee	\$ 11,693,001	\$ 654,682	\$ 626,336	\$ 545,851	\$ 599,871	\$ 9,927,482	\$ 1,765,519	84.90%
Obligated Grants								
CLIN 003 Grants	\$ 32,653,921	\$ 613,723	\$ 933,607	\$ 651,658	\$ -	\$ 28,291,434	\$ 4,362,487	86.64%
CLIN 004 Grant Fee	\$ 653,078	\$ 12,274	\$ 18,672	\$ 55,524	\$ -	\$ 565,829	\$ 87,250	86.64%
Subtotal Grants & Fee	\$ 33,306,999	\$ 625,997	\$ 952,279	\$ 707,182	\$ -	\$ 28,857,263	\$ 4,449,737	86.64%
GRAND TOTAL	\$ 45,000,000	\$ 1,280,680	\$ 1,578,615	\$ 1,253,033	\$ 599,871	\$ 38,784,744	\$ 6,215,256	86.19%

* This table represents expenditures invoiced by DAI for operations costs and money obligated by DAI for grant activities versus funds budgeted in the contract.

IV. Operations Expenditures & Grant Obligations vs. Contract Obligated Funds

CLIN	SLTI Obligated Amount	1st Quarter Year 4 Aug-Oct 07	2nd Quarter Year 4 Nov 07-Jan 08	3rd Quarter Year 4 Feb-Apr08	4th Quarter Year 4 May-Jul08	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,509,877	\$ 611,915	\$ 585,361	\$ 510,141	\$ 560,628	\$ 9,278,020	\$ 1,231,857	88.28%
CLIN 002 Fixed Fee	\$ 735,691	\$ 42,767	\$ 40,975	\$ 35,710	\$ 39,244	\$ 649,461	\$ 86,230	88.28%
Subtotal Ops & Fee	\$ 11,245,568	\$ 654,682	\$ 626,336	\$ 545,851	\$ 599,871	\$ 9,927,482	\$ 1,318,087	88.28%
Obligated Grants								
CLIN 003 Grants	\$ 30,152,054	\$ 613,723	\$ 933,607	\$ 651,658	\$ -	\$ 28,291,434	\$ 1,860,620	93.83%
CLIN 004 Grant Fee	\$ 603,041	\$ 12,274	\$ 18,672	\$ 55,524	\$ -	\$ 565,829	\$ 37,212	93.83%
Subtotal Grants & Fee	\$ 30,755,095	\$ 625,997	\$ 952,279	\$ 707,182	\$ -	\$ 28,857,263	\$ 1,897,832	93.83%
GRAND TOTAL	\$ 42,000,663	\$ 1,280,680	\$ 1,578,615	\$ 1,253,033	\$ 599,871	\$ 38,784,744	\$ 3,215,919	92.34%

* This table represents expenditures invoiced by DAI for operations costs and money obligated by DAI for grant activities versus funds obligated by USAID.

Annex B

SRI LANKA TRANSITION INITIATIVES EXPENDITURE ANALYSIS (US\$)

As of March 31, 2009

I. Vouchered Expenditures vs. Contract Funds

CLIN	SLTI Contract Amount	1st Quarter Year 5 Aug-Oct08	2nd Quarter Year 5 Nov08-Jan09	3rd Quarter Year 5 Feb-Mar09	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,953,225	\$ 334,409	\$ 178,242	\$ 184,216	\$ 9,960,444	\$ 992,781	90.94%
CLIN 002 Fixed Fee	\$ 675,131	\$ 22,596	\$ 13,291	\$ -	\$ 675,131	\$ -	100.00%
Subtotal Ops & Fee	\$ 11,628,356	\$ 357,004	\$ 191,533	\$ 184,216	\$ 10,635,575	\$ 992,781	91.46%
CLIN 003 Grants	\$ 32,752,829	\$ 127,317	\$ 35,872	\$ 477,058	\$ 28,951,827	\$ 3,801,002	88.39%
CLIN 004 Grant Fee	\$ 618,815	\$ 1,815	\$ 717	\$ -	\$ 568,764	\$ 50,051	91.91%
Subtotal Grants & Fee	\$ 33,371,644	\$ 129,132	\$ 36,590	\$ 477,058	\$ 29,520,591	\$ 3,851,053	88.46%
GRAND TOTAL	\$ 45,000,000	\$ 486,136	\$ 228,122	\$ 661,274	\$ 40,156,166	\$ 4,843,834	89.24%

* This table represents expenditures invoiced by DAI to USAID versus funds budgeted in the contract.

II. Vouchered Expenditures vs. Contract Obligated Funds

CLIN	SLTI Obligated Amount	1st Quarter Year 5 Aug-Oct08	2nd Quarter Year 5 Nov08-Jan09	3rd Quarter Year 5 Feb-Mar09	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,516,505	\$ 334,409	\$ 178,242	\$ 184,216	\$ 9,960,444	\$ 556,061	94.71%
CLIN 002 Fixed Fee	\$ 675,131	\$ 22,596	\$ 13,291	\$ -	\$ 675,131	\$ -	100.00%
Subtotal Ops & Fee	\$ 11,191,636	\$ 357,004	\$ 191,533	\$ 184,216	\$ 10,635,575	\$ 556,061	95.03%
CLIN 003 Grants	\$ 30,240,269	\$ 127,317	\$ 35,872	\$ 477,058	\$ 28,951,827	\$ 1,288,442	95.74%
CLIN 004 Grant Fee	\$ 568,764	\$ 1,815	\$ 717	\$ -	\$ 568,764	\$ 0	100.00%
Subtotal Grants & Fee	\$ 30,809,033	\$ 129,132	\$ 36,590	\$ 477,058	\$ 29,520,591	\$ 1,288,442	95.82%
GRAND TOTAL	\$ 42,000,669	\$ 486,136	\$ 228,122	\$ 661,274	\$ 40,156,166	\$ 1,844,503	95.61%

* This table represents expenditures invoiced by DAI to USAID versus funds obligated to the contract.

SRI LANKA TRANSITION INITIATIVES EXPENDITURE ANALYSIS (US\$)

As of March 31, 2009

III. Operations Expenditures & Grant Obligations vs. Contract Funds

CLIN	SLTI Contract Amount	1st Quarter Year 5 Aug-Oct08	2nd Quarter Year 5 Nov08-Jan09	3rd Quarter Year 5 Feb-Mar09	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,953,225	\$ 334,409	\$ 178,242	\$ 184,216	\$ 9,960,444	\$ 992,781	90.94%
CLIN 002 Fixed Fee	\$ 675,131	\$ 22,596	\$ 13,291	\$ -	\$ 675,131	\$ -	100.00%
Subtotal Ops & Fee	\$ 11,628,356	\$ 357,004	\$ 191,533	\$ 184,216	\$ 10,635,575	\$ 992,781	91.46%
Obligated Grants							
CLIN 003 Grants	\$ 32,752,829	\$ 56,454	\$ 1,670,722	\$ -	\$ 30,018,610	\$ 2,734,219	91.65%
CLIN 004 Grant Fee	\$ 618,815	\$ 1,815	\$ 717	\$ -	\$ 568,764	\$ 54,684	91.91%
Subtotal Grants & Fee	\$ 33,371,644	\$ 58,269	\$ 1,671,439	\$ -	\$ 30,587,374	\$ 2,788,903	91.66%
GRAND TOTAL	\$ 45,000,000	\$ 415,273	\$ 1,862,972	\$ 184,216	\$ 41,222,949	\$ 3,777,051	91.61%

* This table represents expenditures invoiced by DAI for operations costs and money obligated by DAI for grant activities versus funds budgeted in the contract.

IV. Operations Expenditures & Grant Obligations vs. Contract Obligated Funds

CLIN	SLTI Obligated Amount	1st Quarter Year 5 Aug-Oct08	2nd Quarter Year 5 Nov08-Jan09	3rd Quarter Year 5 Feb-Mar09	Cumulative Amount	Remaining Amount	% of Budget Expended
CLIN 001 Operational Costs	\$ 10,516,505	\$ 334,409	\$ 178,242	\$ 184,216	\$ 9,960,444	\$ 556,061	94.71%
CLIN 002 Fixed Fee	\$ 675,131	\$ 22,596	\$ 13,291	\$ -	\$ 675,131	\$ -	100.00%
Subtotal Ops & Fee	\$ 11,191,636	\$ 357,004	\$ 191,533	\$ 184,216	\$ 10,635,575	\$ 556,061	95.03%
Obligated Grants							
CLIN 003 Grants	\$ 30,240,269	\$ 56,454	\$ 1,670,722	\$ -	\$ 30,018,610	\$ 221,659	99.27%
CLIN 004 Grant Fee	\$ 568,764	\$ 1,815	\$ 717	\$ -	\$ 568,764	\$ 0	100.00%
Subtotal Grants & Fee	\$ 30,809,033	\$ 58,269	\$ 1,671,439	\$ -	\$ 30,587,374	\$ 221,659	99.28%
GRAND TOTAL	\$ 42,000,669	\$ 415,273	\$ 1,862,972	\$ 184,216	\$ 41,222,949	\$ 777,720	98.15%

* This table represents expenditures invoiced by DAI for operations costs and money obligated by DAI for grant activities versus funds obligated by USAID.