

Modernizing Accounting Practices at Pragyalaya: A Positive Step toward Transparency and Accountability

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Perhaps it was the looks on the faces of the staff and volunteer advisers of Pragyalaya, or perhaps the concern expressed by a few sponsors abroad, I am not sure, but when I visited Pragyalaya in the summer of 2010, I was determined to lend a helping hand. I was visiting India (Titabar, to be precise) in the summer of 2010 for a longer than usual period and was determined to visit Pragyalaya. It has been several years since I came to know about Pragyalaya (<http://prajnalaya.org/>). I have been indirectly involved with it through both ASA Foundation (www.assamfoundation.org) and the FASS (<http://friendsofassam.org>), but I had never visited the institute itself although it was only a few miles from my home in Titabar.

Pragyalaya was located in Saraipani, a locality only a few miles from the Titabar town, but it was still remote in terms of transportation and communication. I was not going to miss visiting Pragyalaya this time, so I contacted Sureshda (Dr. Suresh Rajkhowa, a professor of botany in the N.N.S. College in Titabar and an Executive Committee member of the Pragyalaya Board of Directors; I know him since I was a kid) in advance. Early July (either 8th or 9th), about a week after I arrived, Sureshda picked me up along with my uncle. My uncle worked at the NABARD (National Bank for Agricultural and Rural Development) was very interested in learning about Pragyalaya. On our way, we picked up Prasantada (Prasanta Bordoloi, another Pragyalaya Executive Committee member and a local businessman; I know him since my childhood too). When we arrived, several people were waiting for us, including Prabudh Basak (Secretary to Pragyalaya), Maina Bhuyan (the late Jugal Bhuyan's wife), Jugal's sister who was visiting from Moran, then Headmaster Gogoi, a couple of teachers (one of them was Mr. Sharma), Jugal's two brothers, and Jugal's college-age nephew.

After the initial chit-chat, I went straight to the most important issue – that Pragyalaya's foreign sponsors were concerned about Pragyalaya's accountability and project progress and they (the sponsors) would like to see more transparency on how the donations were used (this issue was brought to me by a person in the U.S. who has been working tirelessly last several years to help both Parijat Academy and Pragyalaya). There was a pin-drop silence in the office room where we sat and were having tea and biscuit. All those who gathered were looking at each other's face – and I thought 'UH, OH!'

Finally, Basak spoke at length about how Pragyalaya's accounts were kept, how the money was spent (e.g., they had to spend money from another project to repair roofs and kitchen which were damaged badly by severe weather in June 2010), how they had to take personal loans to

pay teacher's salaries, how a government official asked for and took a Rs. 2,000 bribe which came out of Pragyalaya's General Fund (but Basak was not sure how to entry such expenses in the accounting ledger), etc. At my request, Basak showed us a few accounting ledgers. When we saw these ledgers, both my uncle and I were very surprised to see that their accounting practice was very confusing at best and lacked key elements of any modern accounting system (e.g., it was not following the standard double entry book keeping). It was difficult to ascertain the revenue source (donation plus other sources), how the revenue was spent, and how they assessed the impact of donations. For example, they were not keeping track of in-home production and consumption of project-based output (e.g., fish, coconut, banana, etc. from sponsored projects, such as fishery, banana plantation). As a result, they were not sure of the monetary value (i.e., impact) of the projects had in terms of reducing the cost of operation of Pragyalaya. I told them that effective immediately, they should keep track of the project output consumed at the school and put a monetary or market value on such items. They did not know that what I suggested was one of the ways to assess project impact. Few other necessary expense items were also missing from these accounting ledgers, e.g., there was no budget for travel expenses although Basak traveled for work using his motor cycle and used a general fund to get reimbursed! In short, Pragyalaya's accounting system was dismal at best.

I understood why Pragyalaya was not able to respond immediately to queries by its foreign donors about expenses incurred and the impact of donations! Right then and there I decided to offer an one-day on-site training on modern accounting (book keeping) practices using MS Excel to four key people - Basak, Sureshda, Prasantada, and Jugal's nephew. I knew that they had access to MS Excel in their two PCs and therefore, it would be the easiest way to ease them into digitizing their accounting data. I was convinced that if they switch to using MS Excel for book keeping, than lot of the uncertainty and questions about their accounting practices would be resolved.

On July 22nd, laptop in hand, I went to Pragyalaya with my nephew (who took the pictures shown here). I was not sure what to expect, i.e., how my effort at teaching Excel will go – I've been teaching for a long time, but never taught computer software and never under such circumstances! I was a bit nervous but tried not to show it. Before starting, I assessed the group's computer literacy and paired them up two to one PC – Basak and Prasantada on one and Sureshda and Jugal's nephew on the other (they only had two PCs and one of them started acting up later!). I brought hard copies of a printed manual I prepared using available resources from the web (side note: it is a long story but it was a nightmare having those hard copies printed and copied!). The main message I was trying to convey to the participants in this one-day Excel training was this – using Excel for bookkeeping would help them in many fronts, e.g., track their revenue and expenses instantaneously, make them able to answer queries from both home and abroad, and reporting would be easy too. By end of the day, I felt that I achieved my goal because all of the participants agreed to my proposal of a customized training for them. I

wanted their full commitment, which I got, before I was going to find a facility that would provide the training I had in mind.

Now that my one-day Excel training was successful, I had to find a computer training facility which was willing to do a customized training on MS Excel without costing too much. And it has to be in Titabar because that was the closest town where such facilities existed. I found such a facility owned by a young entrepreneur, Shyamal Bora, who owned and operated the Academy of Computer Technology in near Titabar Tiniali. Shyamal has heard of Pragyalaya and once I explained the goal of the customized training, he suggested a popular proprietary accounting software that businesses typically use. I did not like that idea because if we used that software, then Pragyalaya would incur future costs as new versions of that software come into the market and new training needed. Plus, that software was meant for traditional business enterprises and not for an institution like the Pragyalaya. Once I explained Shyamal why I wanted Excel instead, he was very enthusiastic about it. He suggested a two-hour daily training class for a period of 10 days. Once we agreed on the cost of the training, I paid him an advance and asked him to come up with a syllabus which he submitted a few days later. After some minor revisions, we agreed on the course that will be offered (syllabus attached).

The training started on July 26th afternoon and ended in the second week of August (took longer due to some bandhs). I prepared a double-entry book keeping ledger using Excel for each of Pragyalaya's on-going projects (that task was hard due to my time constraints). Shyamal used that as a template in the training. I attended the last day of the training where the trainees (Sureshda, Prasantada, Basak, and Jugal's nephew) showed what they had learned that far. I was quite happy. I urged them all to reflect on the value of what they learned and how it could improve what they do in and for Pragyalaya. I also requested Shyamal to get involved with Pragyalaya and provide follow-up training as needed (as a service to society).

Since returning, I have been in touch with Sureshda a few times regarding the status of the implementation of the accounting (book keeping) practices using MS Excel. I was told that they have hired a part-time person to enter the data for the first few months of 2010 and would eventually enter data for the past years. I firmly believe that with a modernized book keeping system, Pragyalaya will be able to provide more transparency to their accounting practices and be able to easily respond to queries from home and abroad on the impact of funding they receive(d).

One of the issues that I become aware of during my involvement with Pragyalaya was that one or more of Jugal's family members were interfering with the Pragyalaya's work. Some members of the Executive Committee were afraid that if such interference continues, Pragyalaya may become a family-owned operation and the mission set by Jugal and others will be lost along with the goodwill of people and sponsors. I have conveyed this back to a few key people here in the U.S. and elsewhere. I have also requested a few people in the current Executive Committee of Pragyalaya to get more involved, monitor project progress more closely, and

hold people responsible for their actions. I have been told by Sureshda that some changes have already been made and these changes should have positive impact on how Pragyalaya operates. I am also certain that when the modern accounting system becomes fully operational, some of the current grumblings will disappear. In an unrelated matter, I also provided Pragyalaya with resource materials for their vermiculture project, which was in bad shape, and plan to inquire about its status next time I contact Sureshda.

It was heartwarming to find that there are many well-wishers both in Assam and abroad who deeply care about Pragyalaya's continued success. Encountering bumps in the path of progress is common, we just need to make sure that such bumps do not become walls preventing further advancement. Pragyalaya still needs our active support and compassion. We can extend our helping hand using our own methods, or do it collectively through various Assamese associations (e.g., FASS, ASA Foundation, and AFNA). If Jugal's mission is to succeed, then we all need to commit to its future and do something, anything that warms the hearts and minds of those little ones with bright eyes who are studying hard in the bamboo-walled and thatch roof classrooms of Pragyalaya.