



**Carleton**  
University

**Sprett**  
School of Business

**BUSI 4901**  
**Sustainable Accounting and Social Finance**  
**Winter 2020**

**Instructors:**

Dr. Katherine “Kate” Ruff	<a href="mailto:Kate.ruff@carleton.ca">Kate.ruff@carleton.ca</a> Office hours by appointment <a href="https://calendly.com/kate-ruff/20min">https://calendly.com/kate-ruff/20min</a>
Dr. Leanne Keddie	<a href="mailto:Leanne.keddie@carleton.ca">Leanne.keddie@carleton.ca</a> Office hours Tuesday from 1pm-2pm – book here: <a href="https://calendly.com/leannekeddie/sustainability-accounting-and-social-finance-course-office-hours">https://calendly.com/leannekeddie/sustainability-accounting-and-social-finance-course-office-hours</a> Or by appointment if that time doesn’t work
Dr. Tessa Hebb	<a href="mailto:Tessa.hebb@carleton.ca">Tessa.hebb@carleton.ca</a> Office hours by appointment

**Modality:** Zoom (link provided in Brightspace)

Approximately 1.5 hour synchronous (*i.e., delivered in real-time*)

Approximately 1.5 hours asynchronous

Students will be expected to read the relevant material and review the lecture videos each week (asynchronous) prior to class time.

**Course Calendar Description:** This course offers several different avenues for in-depth explorations in sustainability accounting, impact measurement and social finance for undergraduate students. Each module provides the student with the opportunity to learn a special topic within responsible business, such as: impact measurement, responsible finance, impact investing, responsible and ESG investing and/or sustainability accounting. The topics may change over time to reflect new knowledge and emerging trends.

**Learning Objectives:**

1. Understand introductory impact measurement standards and frameworks in the context of sustainability and social impact for a variety of organizations.
2. Understand the Impact Management Project’s (IMP) ABC framework for organizations.

3. Understand, apply and analyze impact measurement issues, models, data collection and performance indicators as it relates to social purpose organizations.
4. Understand, apply and analyze responsible business management issues including sustainable corporate governance and sustainable strategy implementation (management accounting) including performance measurement as it relates to for-profit organizations.
5. Knowledge of the principles, instruments and good practices of social finance, responsible and impact investing.

**Course Prerequisites:** 2<sup>nd</sup> year standing.

**Required Materials:**

All materials will be provided on Brightspace.  
 A webcam and Internet access are also required. Webcams should be turned on during our meetings so that we can see each other, feel free to use professional backgrounds if you so choose. Students should register with Zoom with their Carleton student email addresses.

**Drop Course Policy:** The deadline for academic withdrawal is the last day of classes (each term).

**COURSE SCHEDULE**

A detailed course schedule will be provided on Brightspace. Here is listing of topics which will be covered during the term.

Topic	Week	Instructor	Deliverable
Introduction to impact measurement standards and frameworks - SDG Video 1 through 4 - Impact Classification (IMPs ABC) - Know/Wonder Activity	Weeks 1 - 2	All	None
Impact measurement in Social Purpose Organizations	Weeks 3 - 5	Kate	
Week 3: Impact Strategy Resource: SDG Impact Unit 2 Resource: Social Enterprise Institute – plan your change Case: Our House Part 1			Quiz 1, 2
Week 4: Setting up measurement practice Resource: SDG Impact Unit 3 Resource: Social Enterprise Institute – use performance measures, collect useful data, gather data Case: Our House Part 2			Quiz 3, 4
Week 5: Using impact data for decision making			Case

Resource: SDG Impact Unit 4&5 Resource: Social Enterprise Institute – analyze and report. Case: Our House Part 3			Analysis
Sustainability accounting and Responsible business	Weeks 6 - 8		
Week 6: Sustainability accounting overview including opportunities and greenwashing <ul style="list-style-type: none"> <li>• Addressing Know/Wonder results</li> <li>• What is sustainability? Why is it important?</li> <li>• Greenwashing – what is it? How can we tell who’s doing it?</li> <li>• Relevant reporting standards and updates</li> <li>• Who are you reporting to?</li> <li>• Double materiality</li> <li>• Introduction to Assignment</li> </ul> Resources: Provided on Brightspace			Reflection
Week 7: Sustainability performance measurement in for-profit context <ul style="list-style-type: none"> <li>• Measuring and communicating firm performance</li> <li>• What are the relevant metrics for each business?</li> <li>• Challenges and opportunities</li> </ul> Resource: Provided on Brightspace			Reflection
Week 8: Responsible Business <ul style="list-style-type: none"> <li>• Incorporating sustainability into the business</li> <li>• Trends, challenges and opportunities</li> <li>• What does the future hold?</li> </ul> Resource: Provided on Brightspace			Personal carbon budget assignment and Reflection
Social Finance and responsible and impact investing	Weeks 9 - 11	Tessa Hebb	10 page, double spaces Essay (3000 words)
Week 9: Unpacking Social Finance and Impact Investing Resource: Reports Resource: Schema Resource: Journal articles			Reading and discussion

<p>Week 10: Managing ESG risks through Responsible Investing  Resource: Expert Panel Reports  Resource: Journal Articles  Resource: Case study (Rockefeller Bros. Fossil Fuel Divestment)</p>			<p>Reading and discussion</p>
<p>Week 11: How investors use ESG and SDG measurement in investment decisions  Resource: TCFD Reports  Resource: GIIN and RIA Reports  Resource: Journal articles  Resource: In class debate pro/and con</p>			<p>Readings and in-class debate on pros and cons of impact and responsible investment</p>
<p>Bringing it all together</p>	<p>Week 12</p>		

### **Explanation of how the course will run**

#### *Introduction to impact measurement standards and frameworks*

All students will take the ‘Introduction to impact measurement standards and frameworks’ module in weeks one to two.

#### *Impact measurement in Social Purpose Organizations*

Students will be exposed to case studies of social purpose businesses, including cooperatives, B corps and social enterprise. Students will learn the basics of impact measurement. This will include creating a theory of change, identifying indicators, measuring results against baselines and thresholds. Students will undertake a critical review of leading international standards Impact Management Norms, IRIS+, UN SDGs, B Impact Assessment and others. Students will complete an impact measurement case study.

#### *Sustainability Accounting*

Students will learn about how for-profit businesses go about measuring and reporting their impact on society and the environment. This will include coverage of relevant reporting initiatives like the Global Reporting Initiative (GRI) and the new International Sustainability Standards Board (ISSB). We will cover the challenges and potential of the various ways of reporting this information. Firm sustainability performance measurement will be an area of focus including how firms can incorporate these measurement systems into their companies and the current challenges faced by firms in this regard. Wherever appropriate, we will also discuss the differences between how these concepts apply to larger, publicly traded for-profit business as compared to smaller, private for-profit businesses.

### Responsible business

Students will learn about responsible business from a corporate governance perspective. We will cover critical issues such as ‘greenwashing’ as it relates to the for-profit sector. The use of ‘sustainable bonuses’ to encourage more sustainable actions from top management will be examined to understand how these may be useful but also when they may be abused.

This will include understanding current trends in how organizations are incorporating sustainability into the board of directors (for publicly traded companies) to make better decisions. Topics such as diversity in management may also be explored. Wherever appropriate, we will also discuss the differences between how these concepts apply to larger, publicly traded for-profit business as compared to smaller, private for-profit businesses.

### Social Finance

Students will develop an understanding of the rationale, principles and financial instruments for both impact and responsible investment. Students will question whether investors should concern themselves with the environmental, social and governance (ESG) impacts of the companies they invest in? Is this just a new fad or a radical change in the financial system? Are investors concerned with risks in their investments or is this about their own reputations?

### Impact Investing

Institutional investors are increasingly interested in ensuring the investments they make align with their missions and accord with broader principles such as the UN Sustainable Development Goals (SDGs). Investors intentionally seek both positive social and or environmental impacts together with some financial return. This module provides an understanding of impact investing and examines the drivers of this trend over the past ten years. Students will examine the supply and demand for impact capital, the financial instruments used, and the intermediaries who serve this market. Students will explore the tensions that underpin the dual mandate inherent in impact investing.

### Responsible Investing

This module will examine the burgeoning field of responsible investing (also termed sustainable finance). Students will learn how and why institutional and private investors are taking environmental, social, and governance (ESG) factors into account in their investment decision-making. With \$96 trillion of assets under management now signatories to the UN Principles for Responsible Investment, students will gain an understanding of how ESG factors can impact investment portfolios and why issues such as climate risk have come to dominate investors’ concerns. The limitations imposed by fiduciary duties will also be explored. We will examine the role of ESG rating agencies, as well as other key actors in responsible investment. We will also delve into the various responsible investment strategies used by the world’s largest institutional investors and debate the pros and cons to this investment approach and the dangers of ‘greenwashing’.

## *Bringing it all together*

All students will take the ‘Bringing it all together’ module at the end.

### Tips for Success:

- 1) Get started on this course right away!
- 2) Schedule your time so you don’t fall behind.
- 3) Use all the resources!
- 4) Work through all work assigned and actively participate.
- 5) Actively participate through the available channels.
- 6) Recognize right away when you are struggling with the material and seek help immediately – don’t wait!

### Grading Scheme:

This course encompasses assigned readings, case analyses, discussion forums, assignments and quizzes. Students are expected to read all of the assigned material. The primary role of the instructor in this course is to **facilitate** student learning by helping students understand and apply key concepts. It should be emphasized that diligent **independent preparation** of material and **active participation** in class and forum discussions are crucial to the development of effective knowledge in these fields and to perform well in the course.

Details and due dates of each element will be provided on Brightspace:

Participation/contributions (individual)	10%
Quizzes	5%
Social Purpose Organization Case	25%
Responsible Investing Report	30%
<u>Carbon Accounting Assignment</u>	<u>30%</u>
<b>TOTAL</b>	<b>100%</b>

Each component of your grade will be assigned a percentage score. Your final course grade will be a weighted average of each of these components. All submissions must be made in Brightspace prior to the start of class (TBD) on the day the assignment is due.

- **Participation/contribution:** Participation/contribution will be evaluated using a combination of your attendance and high-quality contributions to the pre-scheduled sessions, your written responses in the online forum.
- **Quizzes:** True and Fals questions based on the video content.
- **Case:** Students will write an impact measurement plan for a Social Purpose Organization. Students will create a theory of change, design indicators, and draft a plan for data collection, data analysis and reporting.

- **Carbon Accounting Assignment:** Students will track the food they consume in detail for a one week period beginning in week 6 (February 15<sup>th</sup>). Once the food has been tracked, students will calculate the carbon emissions using the calculator provided. Students will then perform a comparative calculation using a different calculator and compare the results to a benchmark. These results will be presented in a brief report. Submissions will be evaluated against the rubric provided (see Brightspace). More details will be provided in session 6 in class. The assignment is due before class begins in week 8 (March 8<sup>th</sup>).
- **Responsible Investing Report:** Due April 8th midnight via Brightspace. Using the readings from Weeks 9,10 and 11 discuss a core element that affects either impact investing or responsible investing. Find the tensions that arise from the theme and write about them. Make an argument. Draw on the course literature to either back up your argument or refute it. This essay is 10 double spaced pages (3000 words approx.). This includes your reference list and appendices - you can run a little long if you like - but don't run short! Your title page is not included in your page count. You will be graded on your use of the course readings. You should have at least 9 individual references that you use in your essay.

### **Late Assignments:**

To ensure fairness for all students, penalties will be applied to late assignments: Failure to submit an assignment on time will result in an initial penalty of ten (10) percentage points, followed by an additional ten (10) percentage points per day thereafter. For example, an assignment that would normally merit a grade of 80% would receive a grade of 70% if submitted after the deadline on the due date, 60% if submitted the following day, and so on. Requests for extension will be considered in cases of illness, family emergency, or other exceptional circumstances.

### **Preparation and Participation:**

Students are expected to watch the lecture videos and read the assigned material each week prior to the class start time. Attendance online is expected each week during the scheduled synchronous session(s).

**The continual and frequent use of Brightspace is a must.** All course material and resources, communication, assignment submission and collaboration will be done through cuLearn. It is important that you log on to cuLearn right away and start to be comfortable with using it. To access your courses on cuLearn go to <http://carleton.ca/culearn>.

**Contribution to Learning Goals of the Program ([BCom](#), [BIB](#)):**

<b>Program Learning Goal</b>	<b>Competencies Not Covered</b>	<b>Competencies Introduced (only)</b>	<b>Competencies Taught But Not Assessed</b>	<b>Competencies Taught and Assessed</b>
<b>CHECK (X) ONE PER ROW</b>				
<b>BC1 Knowledge</b> <i>Graduates will be skilled in applying foundational business knowledge to appropriate business contexts.</i>				x
<b>BC2 Collaboration</b> <i>Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members.</i>				x
<b>BC3 Critical Thinking</b> <i>Graduates will be discerning critical thinkers, able to discuss different viewpoints, challenge biases and assumptions, and draw conclusions based on analysis and evaluation.</i>				x
<b>BC4 Communication</b> <i>Graduates will be effective and persuasive in their communications.</i>			x	
<b>BI5 Global Awareness (BIB ONLY)</b> <i>Graduates will be globally-minded.</i>			x	



## ADDITIONAL INFORMATION

### Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

### Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

### Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

### Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

### Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

### Pregnancy Accommodation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist.

For more details, visit the Equity Services website: [carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf](https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf)

### **Religious obligation**

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: [carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf](https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf)

### **Academic Accommodations for Students with Disabilities**

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or [pmc@carleton.ca](mailto:pmc@carleton.ca) for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. [carleton.ca/pmc](https://carleton.ca/pmc)

### **Survivors of Sexual Violence**

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: [carleton.ca/sexual-violence-support](https://carleton.ca/sexual-violence-support)

### **Accommodation for Student Activities**

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: [students.carleton.ca/course-outline](https://students.carleton.ca/course-outline)

### **Academic Integrity**

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated.

Process: If an alleged violation occurs, all relevant documentation will be forwarded to the Dean. If the allegation proves true, the penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others. **For a first offence, at a minimum, the penalty assigned will normally be a zero on the submitted work and at least a minimum full grade reduction of the final course grade. For a second offence, at a minimum, the penalty assigned will normally lead to a suspension from studies.**

Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at: <https://carleton.ca/registrar/academic-integrity/>.

### **Sprott Student Services**

The Sprott Undergraduate Student Services Office offers program advising and overall student success support. Our team is available to discuss your academic goals and your program progression plans. We can also work with you to develop strategies for success, including study skills for Business. If you experience any difficulty this term or if you would like to access support, please contact our team at [bcom@sprott.carleton.ca](mailto:bcom@sprott.carleton.ca) or at [bib@sprott.carleton.ca](mailto:bib@sprott.carleton.ca).

### **Centre for Student Academic Support**

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: [carleton.ca/csas](http://carleton.ca/csas).

### **Important Information:**

- Students must always retain a copy of all work that is submitted.
  - All final grades are subject to the Dean's approval.
  - For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/new-students-2/>
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