

BUSI 2819A
Sustainable Accounting and Social Finance
Winter 2023

Instructors:

Dr. Leanne Keddie	Leanne.keddie@carleton.ca Office hours Tuesdays after class from 2:30pm-3:30pm – book here: https://calendly.com/leannekeddie/busi-2819-office-hours Or by appointment if that time doesn't work
Dr. Tessa Hebb	Tessa.hebb@carleton.ca Office hours by appointment

Modality: In person, Tuesdays from 11:35am – 2:25pm, Nicol 5010

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: 2nd year standing.

COVID-19 in the classroom:

The ongoing COVID-19 protocols of Carleton University are listed separately in this document. Please familiarize yourself with them. You must comply with these protocols at all times while on campus. Specifically for this course, the following procedures have been put in place surrounding COVID in our classroom:

- If the *instructor* must isolate due to COVID, the class will move on-line temporarily until such time that isolation is no longer required.
- If you as a *student* must isolate due to COVID, please do so and do not come to campus. Contact your instructor upon testing positive, and fill out the COVID-19 self-declaration form which can be found here: <https://carleton.ca/registrar/cu-files/covid-19-self-declaration-form/>. Submit the form to your instructor.

Your instructor will contact you to discuss plans for helping you keep up in your course. It is important to note that you are responsible for keeping on track with course material, even if you must isolate. Your instructors are here to help, but be aware that it will require extra effort on your part to ensure you are completing the tasks and learning required of you for the course.

Required Materials:

All materials will be provided on Brightspace.

The course will be held in person in 5010 Nicol Building, but should a move to online be necessary, 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 a listing of topics which will be covered during the term.

Topic	Week	Instructor	Deliverable
Introduction to sustainable accounting and social finance <ul style="list-style-type: none"> Impact Classification (IMPs ABC) Know/Wonder Activity 	Week 1	Leanne & Tessa	None
Social Finance and Responsible and Impact Investing and Impact Strategy	Weeks 2 - 6	Tessa	
Week 2: Impact Strategy <ul style="list-style-type: none"> Social Finance and Responsible and Impact Investing and Impact Strategy Resource: Social Enterprise Institute – plan your change			Quiz 1, 2
Week 3: Social Finance: Impact Measurement and Impact Investing <ul style="list-style-type: none"> Impact Measurement Impact Investing Case Study: Raven Fund			Reading, videos and discussion
Week 4: Sustainable Finance <ul style="list-style-type: none"> ESG drivers Responsible investment ESG measurement 			Case Study assignment
Week 5: Managing ESG risks through Responsible Investing Resource: Journal Articles Case Study: Rockefeller Bros. Fossil Fuel Divestment			Reading, videos and discussion
Week 6: How investors use ESG measurement in investment decisions. Issues of Greenwashing Resource: Journal articles Resource: In class debate pro/con			Research Essay assignment: 3,000 words due March 3rd

Sustainability Accounting, Measurement and Responsible Business	Weeks 7 - 11	Leanne	
<p>Week 7: Sustainability accounting overview</p> <ul style="list-style-type: none"> • Addressing Know/Wonder results • What is sustainability? Why is it important? • Greenwashing – what is it? How can we tell who’s doing it? • Relevant reporting standards and updates • Introduction to Carbon Accounting Assignment <p>Resources: Provided on Brightspace</p>			None
<p>Week 8: Sustainability Reporting</p> <ul style="list-style-type: none"> • Who are you reporting to? • Sustainability Reporting Pairs (Activity) <p>Resources: Provided on Brightspace</p>			Recipes submitted for carbon accounting assignment
<p>Week 9: Sustainability performance measurement</p> <ul style="list-style-type: none"> • Measuring and communicating firm performance • What are the relevant metrics for each business? • Challenges and opportunities • Sustainability report presentations <p>Resources: Provided on Brightspace</p>			Partner sustainability report presentations
<p>Week 10: Responsible Business</p> <ul style="list-style-type: none"> • Incorporating sustainability into the business • Trends, challenges and opportunities • What does the future hold? 			
<p>Week 11: Guest Speaker*</p> <p>Resources: Provided on Brightspace</p> <p>*Depending on the guest speaker’s availability, the topic of this week may be swapped with one of the other weeks between 7-11.</p>			Personal carbon budget assignment
Week 12: Bringing it all together		Tessa & Leanne	

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 week one.

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 over \$100 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’.

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.

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%
Case Study	15%
Responsible Investing Report	30%
Sustainability Report Presentation	15%
<u>Carbon Accounting Assignment</u>	<u>30%</u>
TOTAL	100%

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, on-line quizzes, your written responses in the online forum.
- Carbon Accounting Assignment: Students will submit the recipes of their favourite meals of the day (breakfast, lunch, dinner & snack) (Week 8). Students will then calculate the carbon emissions using one of the calculators provided. Students will perform a comparative calculation using a different calculator and compare the results to a benchmark. Differences will be investigated and reconciled with explanations provided in the report. 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 week 7 in class. The assignment is due before class begins in week 11.
- Case study on impact measurement: Due January 31st. Working in Teams of 3, you will use a case to develop an impact measurement approach. First "Set Strategy" for your case enterprise. Next define performance measures for your case enterprise. Finally, as a group, write an additional two-page narrative that identifies what the case enterprise should do next, and the limitations of the work.
- Responsible Investing Report: Due Feb. 28th midnight via Brightspace. Working in groups of 2, use the readings from Weeks 2-6 discuss a core element that affects either impact investing, impact measurement, or responsible investing. Find the tensions that arise from the theme and write about them. Make an argument. Use 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 from the course that you use in your essay. Each member of the group must identify their contribution to the report.
- Sustainability report presentation: working in pairs, you will analyze and present a sustainability report to the class. Further details will be provided in class.

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 is expected each week during the scheduled 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>.

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).

Recommended Calculator for 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.

Letter Grades:

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	F = Below 50
A = 85-89	B = 73-76	C = 63-66	D = 53-56	
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52	

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**

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: <https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf>.

- **Religious Obligations**

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: <https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf>.

- **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 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. <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: <https://carleton.ca/sexual-violence-support/>.

- **Student Activities**

Carleton University recognizes the substantial benefits, to both the individual student and the university, that result from participating in activities beyond the classroom experience. Reasonable accommodation will 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: <https://students.carleton.ca/course-outline/>.

Academic Integrity:

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—are a serious academic offence, weaken the quality of the degree, and will not be tolerated. 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. 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/>.

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: <https://carleton.ca/csas/>.

Other Important Information:

- Students must always retain a hard 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 can do so by visiting <https://carleton.ca/its/get-started/new-students-2/>.

Covid-19 Information:

It is important to remember that COVID is still present in Ottawa. The situation can change at any time and the risks of new variants and outbreaks are very real. There are a number of actions you can take to lower your risk and the risk you pose to those around you including being vaccinated, wearing a mask, staying home when you’re sick, washing your hands and maintaining proper respiratory and cough etiquette.

Feeling sick? Remaining vigilant and not attending work or school when sick or with symptoms

is critically important. If you feel ill or exhibit COVID-19 symptoms do not come to class or campus. If you feel ill or exhibit symptoms while on campus or in class, please leave campus immediately. In all situations, you must follow Carleton's symptom reporting protocols.

Masks: Carleton has paused the COVID-19 Mask Policy, but continues to strongly recommend masking when indoors, particularly if physical distancing cannot be maintained. It may become necessary to quickly reinstate the mask requirement if pandemic circumstances were to change.

Vaccines: Further, while proof of vaccination is no longer required as of May 1 to attend campus or in-person activity, it may become necessary for the University to bring back proof of vaccination requirements on short notice if the situation and public health advice changes. Students are strongly encouraged to get a full course of vaccination, including booster doses as soon as they are eligible, and submit their booster dose information in cuScreen as soon as possible. Please note that Carleton cannot guarantee that it will be able to offer virtual or hybrid learning options for those who are unable to attend the campus.

All members of the Carleton community are required to follow requirements and guidelines regarding health and safety which may change from time to time. For the most recent information about Carleton's COVID-19 response and health and safety requirements please see the University's COVID-19 website and review the Frequently Asked Questions (FAQs). Should you have additional questions after reviewing, please contact covidinfo@carleton.ca.