Course Title: Finance and Sustainability

Course Number: SUS 518

Term and Dates: Winter 2016, January 4 - February 7

Course Description:

Capitalizing upon the accounting principles learned in the Managerial and Environmental Accounting course, this course will provide students with an opportunity to learn important sustainable finance concepts within organizational, national and international contexts. In addition to traditional financial management constructs (e.g.: assets, liabilities, liquidity, management and other ratios), the course will place particular emphasis upon the macroeconomics (e.g.: fiscal and monetary policy) and international (e.g.: spot and forward markets) dimensions of finance. Consistent with the program’s emphasis on advanced quantitative, modeling and decision-making methods, great emphasis will be placed upon financial planning, forecasting and analysis in a triple bottom line perspective.

Course Credits: 4

Textbook and Materials Required:


(The hard copy edition with access code is helpful, but not required, for the Week 1 required Thompson One assignment. Possible alternative sources of needed data are noted below. Please note that page numbers indicated for assignment reflect the 14th edition text pages.)
Program Learning Outcomes

Students completing the Master of Business Administration in Sustainable Business degree will be able to:

- Demonstrate knowledge and understanding of sustainability fundamentals and the related opportunities, trends and challenges resulting from a system thinking approach to sustainable business management.
- Demonstrate knowledge and understanding of current trends and interrelations in key business areas, including: accounting law, organizational behavior, marketing, project management, statistical modeling, and strategic leadership.
- Demonstrate critical thinking, quantitative analysis, writing, presentation, collaboration skills and project management skills appropriate for business leadership and graduate-level coursework.
- Develop and apply an ethical framework to executive decision making and organizational leadership.
- Analyze the domestic and global business environments, including their economic, legal, cultural, and ethical contexts.
- Understand emerging business concepts, information technology, and management trends.

Course Learning Outcomes:

Upon completion of the course, the student will be able to:

- Demonstrate an understanding of key managerial and financial accounting concepts
- Utilize the concepts necessary to comprehend the financial environment.
- Utilize the four basic financial statements. Analyze financial statements and evaluate financial performance.
- Determine the value of working capital management.
- Compute free cash flow as it relates to working capital.
- Incorporate working capital into the overall financial management of the firm.
- Describe how managers and investors plan and allocate cash flow and capital for both long–term and short-term investment decisions, and evaluate risks and opportunities, and how the incorporation of environmental accounting practices are changing traditional budgeting/planning methodologies.
- Explain and use investment principles and models such as NPV, IRR, discounted cash flow, etc., and relative advantages of approach, and how sustainability issues affect their predictions.
- Discuss the quantitative and qualitative parts of budgeting/planning models financial statements, including key assumptions affect the precision and reliability of the data presented.
- Analyze investment risks and benefits/disadvantages of commonly used financial models and planning approaches, and management’s responsibility to look at all financially-material risks and opportunities.
- Describe how sustainability issues affect the risks and returns of different types of capital & investment structures and asset such as debt, equity, insurance, mutual funds, real estate, venture capital, pension plans, microfinance, commodities, etc.
- Discuss how sustainability metrics are being used by mainstream investors and financial practitioners as part of their fiduciary responsibility to look at environmental, social and governance (ESG) issues.
- Evaluate how sustainability issues affect financial risk management and fiduciary responsibility.
- Discuss how investors make both long–term and short-term investment decisions, and evaluate risks and opportunities, using sustainability performance metrics and traditional financial metrics available from publicly-available corporate financial statements.
- Discuss the components of a sustainability report and how it differs from annual reports and financial statements.
- Analyze the benefits and potential challenges of reporting on environmental and social performance.

TEACHING PHILOSOPHY AND METHODOLOGY

Teaching and learning in the Accelerated Online Programs at Marylhurst focuses on knowledge or content areas which are current and relevant, on interaction among instructors and students, and on feedback and evaluation to affirm and challenge students to further understanding.
This approach generally comes out of a belief that learners actively construct their own understanding and knowledge of the world through personal experience and reflecting on those experiences. As learners encounter new information and experiences, they reconcile them with past understandings. Sometimes that reconciliation involves changing what was believed or even discarding information as irrelevant or out of sync.

All of us as learners must ask questions, explore, assess what we know, and actively reflect on our learning. In this view, learners are not the “empty containers” to be filled with new knowledge, but rather participants who must be actively engaged in the process to maximize learning.

This course is planned to provide access to new knowledge and experience, and a safe environment in which to think, share, reflect, and reassess current knowledge. Critical thinking skills and the ability to express thoughts and questions are central, as are respectful listening and sharing to all involved in the course discussions.

Assessment and evaluation

Discussion Board Expectations and Assessment:

The discussion boards are our virtual classroom. They also serve as evidence of your attendance and participation. Throughout the class and the Marylhurst MBA program, you are expected to treat each other (and your instructor) with respect. Everyone will be given an opportunity to take compelling positions on issues and topics, persuade others with appropriate rationale, and identify alternative perspectives while maintaining a positive, productive, and professional discussion environment. These are key skills for lifelong success.

Your discussion board postings will be evaluated in the areas of timeliness, quantity, quality and visibility as detailed in this document. These criteria show the minimum standards for receiving a passing grade of C. Please refer to your instructor for clarification of “A” level expectations.

Evaluation Criteria for Discussion Board Participation:

Quality: Postings should reflect a strong understanding of the topic and should include substantive ideas supported by course readings, personal experience or additional research. Posts should extend or deepen discussion in a relevant way.

Timeliness: Initial responses to the DQ are made early in the discussion period. Replies to fellow students are presented in a timely manner to allow for robust discussion and reflection. Must meet deadlines to receive credit.

Visibility: Actively involved 4-5 days per week.

Quantity: Post a first response to the DQ plus a minimum of 3 additional discussion responses in each discussion for a passing grade. Responses must be posted over several days.

Readability: Posts are visually attractive and understandable to your readers, e.g. break text into paragraphs, space between paragraphs.

Clarity: Ideas are communicated in clear, grammatical English. Goal of post writing is business writing that is clear, concise, direct and professional.

Due Dates and Deadlines:

Refer to specific assignment directions for deadline information. Papers or projects must be submitted by midnight Pacific time. Late Policy below.

If you know you will be offline the day an assignment is due, please make sure to post it early. Any time you feel you might be falling behind in the course, it's best to contact the instructor to discuss your situation. Please don't let time pass.
All assignments should include your name and date submitted on the first page and/or cover page for the assignment. Your last name should also appear in the filename of all uploaded documents. Please add page numbers for all papers of over one page. Points will be deducted if this information is missing.

When emergencies arise, contact your instructor as soon as possible to discuss options. Extensions and alternatives are given instructor’s discretion.

**Late Policy for AOP Courses**

- Late assignments will be deducted 10% for each day late (10% of total assignment credit). No assignments can be accepted more past the due date (i.e. If an assignment is due on Sunday at midnight, 10% will be deducted if it is submitted after 12:01 on Monday, and the work will not be accepted after midnight Tuesday.) **No assignments can be accepted after the last day of class.**
- Discussion posts: Initial responses during the course week posted after the “first post by” date can receive partial credit. Posts after the course week receive no credit. It is not possible to make up missed discussions.
- At the discretion of the instructor, exceptions may be made for extraordinary circumstances. **Prior approval from the instructor is needed.**
- **No extra credit, resubmission of work for re-grading, or make-up work is allowed.**

Your final grade will be determined using the Marylhurst University Grading Scale:

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<td>950 to 1000</td>
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<td>A-</td>
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<td>B+</td>
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<td>B-</td>
<td>800 to 824</td>
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Your total points will be determined on the following components:

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<th>Grading Components</th>
<th>Possible Points</th>
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<tr>
<td>Discussion Assignments – 10 @ 30 points each</td>
<td>300</td>
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<tr>
<td>Weekly Problem Assignments (Weeks 1-4) – 4 @ 100 points each</td>
<td>400</td>
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<tr>
<td>Team Assignment (Week 5)</td>
<td>300</td>
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<td>TOTAL</td>
<td>1000</td>
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**Course Assignments and Calendar**

**ASSIGNMENTS**

Assignments will consist of discussion boards and problem assignments. The discussions consist of qualitative and quantitative questions. Make sure to keep track of due dates on the discussion boards.

As the course progresses so do the work requirements. It is important to be cognizant of what is coming due so you can schedule requirements for this class as we work our way through the next five weeks.
Team Assignment Note: Team Assignment grades will largely reflect the degree to which the team’s submission met the assignment criteria; thus, each member of the team will receive a common grade. However, a portion of the total grade each student earns is based on individual’s contributions to the team process and product, based on self and peer evaluations. In other words, each major assignment grade will include a group score and an individual score. The distribution of points for the team criteria and for the individual contributions criterion will be outlined in the assignment directions and associated rubrics. For example, if a team assignment is worth 200 points, up to 180 points may be assigned to the team’s submission, and all members of the team (other than in exceptional circumstances) will earn the same number of those potential 180 points. The other 20 points possible for that assignment will reflect individual contributions to the team, based on submitted evaluation forms; so, team mates who make significant contributions to team might earn up to the full 200 points possible, but individuals who make only minimal contributions could earn significantly less.

Please complete a Team Evaluation Form (located in the Week 5 section in Course Materials) and submit your feedback with your team’s completed deliverable, to the Team Assignment link by the due date for any major team assignment. Students can only earn the “individual” points if they submit a team evaluation form, including an evaluation of their own performance. Failure to submit an evaluation form will result in a zero for the individual component of the team assignment, regardless of any peer ratings.

In situations of extreme non-performance, an individual’s grades on a team assignment may be further adjusted at the discretion of the instructor, based on instructor observations; however, please note that only contributions that are made within our class site are accessible to the instructor. Within the course site, a Discussion will be available for each team, and work performed in those areas can be observed by the instructor. You are also free to use email, Skype, Google Hangout, conference calls, or any other agreed-upon methods of communication, but the instructor cannot observe work conducted via those channels, so you’ll need to include transcripts and/or other summaries of any outside discussions directly into your team discussion if your team wants those communications considered in the assignment of grades.

Week 1: Financial Statements: Preparation & Analysis

Textbook Problems (100 pts)

1. The Thompson One – BSE Discussion Questions re: Starbucks on Page 90.

Excel or Word format is acceptable; Ensure that questions are answered and that analysis is comprehensive and persuasive.

Note: as an alternative to the Thompson One data accessible via the access code, the Starbucks’s financial statements can be by using the Yahoo Finance website (3 years of data) or a similar site. If using Yahoo, type Starbucks in the company search option at the top of the page. Choose the top symbol SBUX (NASDAQ). The company’s info will appear and you will see the financial data on the left side of the page. Click on balance sheet, income statement, etc. and you will see three years of data. As another alternative could use Google Finance and type SBUX in the Search box. Go to Financials, Annual Data. Google Finance will give you 4 ye:

Submit your answers to the Week 1 Assignment link by Sunday.


Textbook Problems (100 pts)

1. Problem 16-12 (Strickler Corporation) on page 672.
2. Problem 16-14 (Koehl’s Doll Shop) on page 675.

Submit your answers to the Week 2 Assignment link by Sunday.
Week 3: Capital Budgeting and Long-Term Planning

Textbook Problem (100 pts)

Question 10-1, page 426. Define each term, but also describe how each term may help or hinder inclusion of sustainability principles.

Submit your answers to the Week 3 Assignment link by Sunday.

Week 4: Capital Structure, Financing, Sustainable Finance

Textbook Problem (100 pts)

Questions 13-3, 13-4 and 13-5, page 543, using sustainability/governance issues as examples in your answers to each question from Jay.

Submit your answers to the Week 4 Assignment link by Sunday.

Week 5: Financial Analysis of Accounting & Sustainability Information

Team Assignment (300 pts).

Note that BOTH the team’s analysis AND the individually completed team evaluations must be submitted by each student.

The shared/team portion of this grade is worth 270 points; the individual portion, which reflects evaluations of student contributions to the team’s process and product, is worth 30 points. Each student must complete and submit a team evaluation form (located in Week’s Course Materials) AND the team’s completed analysis to the Week 5 Assignment link. Be sure to evaluate yourself.

Team Assignment

You’ll work as part of an investment analysis team for a high net worth individual who is thinking of investing in food industry companies who wants to invest in a responsible manner, and who wants to understand how sustainability performance and strategy affect different companies in which he invests.

He has asked you to evaluate three food industry companies in which he is considering investing (Kellogg, Campbell Soup Co., and the Kraft Heinz Company).

Prepare an analysis of the key environmental, social and economic metrics of each company & describe where you got the information. Select one of these three stocks as your choice for your client to invest a hypothetical $1,000,000.

Write a short report for your client differentiating the three companies on their financial and sustainability performance, and their performance in the future, and state the reasons why you have selected the preferred company, and the reasons why you did not choose the not-preferred companies. Describe what/why/how (or if) sustainability issues and performance factors affected your selection. The team report should not be more than 5-7 pages.
Before submission, please review the posted rubric.

Note: There are individual and team responsibilities, both due by Sunday (no work can be accepted after the last day of class). Each team should submit ONE presentation to the Team Assignment DropBox. Each individual student should submit one team evaluation form to the Team Evaluation DropBox (The evaluation form is located in the Week 5 section in Course Materials. Please do not use the “Team Grade Report” that is in the Team Resources folder).

Please see the Assignment Grading Rubric in Week 5 of Course Materials

Marylhurst Writing Standards: Writing is one of the central activities through which students learn, communicate, and demonstrate learning. Academic writing differs from other forms of writing in that it usually:

- is appropriately narrow in focus,
- presents an argument based on sound critical thinking,
- draws upon and properly acknowledges the work of others, and
- presents new understanding in an organized fashion.
Unless otherwise indicated by the instructor, all writing in Marylhurst University classes, from electronic bulletin boards, to perso essays, to formal research papers, will be evaluated on the basis of Standard American English, quality, creativity, effectiveness argumentation and reasoning, and accuracy of information. In addition, academic writing will be evaluated on the selection and appropriate supporting material.

**Documentation Style:** APA is the recommended format of Marylhurst University School of Business. All of your assignments should be written in APA format unless otherwise specified.

**Preventing Plagiarism:** Plagiarism is a form of academic dishonesty that occurs when a student uses information or material from outside sources without proper citation. Plagiarism is grounds for disciplinary action at Marylhurst. It is a student's responsibility to understand plagiarism and its consequences. Students should consult their instructor, their department chair, the Writing Center at Shoen Library if they have any questions about preventing plagiarism. Plagiarism occurs if:

1. The student doesn't cite quotations and/or attribute borrowed ideas.
2. The student fails to enclose borrowed language in quotation marks.
3. The student doesn't write summaries and paraphrases in his/her own words and/or doesn't document his/her source.
4. The student turns in work created by another person (e.g., another student, downloaded from the internet, etc.).

Students who submit or use their own prior work for a current course or work from one current course in another course without permission from their professors may also be guilty of academic dishonesty.

Consequences: If it is determined that a student has plagiarized or engaged in other forms of academic dishonesty, the student fail the assignment and possibly the course, despite points earned through other work. Acts of academic dishonesty are reviewed by the Vice President for Academic Affairs. Engaging in plagiarism and other forms of academic dishonesty can result in dismissal from the University. For additional information, see “Academic Honesty” in the current Marylhurst Catalog and “Core Code” in the Student Handbook.

**Writing Resources:** Marylhurst’s undergraduate and graduate programs have adopted a writing handbook, Diana Hacker’s *A Writer’s Reference, 8th Edition*, to help students develop their writing skills. Writing help is also available through SmarThinking, a 24/7 tutoring service available for all AOP students at no charge. You can access SmarThinking by logging into MyMarylhurst, [https://my.marylhurst.edu/ics/](https://my.marylhurst.edu/ics/), with your Student account and selecting the link in the navigation area. The first time you log in you’ll be asked to create your own account.

**Student Rights and Responsibilities:** All members of the Marylhurst community are expected to act in ways that foster the university’s primary function of education. Conduct that interferes with this educational responsibility will be dealt with directly.

Please refer to the Marylhurst University Student Handbook, for specific information about student rights and responsibilities, as the policies and procedures. The Handbook is available online at: [http://www.marylhurst.edu/studenthandbook](http://www.marylhurst.edu/studenthandbook)

For further information contact the Vice President for Enrollment and Student Services at 503.534.4023 or [deanofstudents@marylhurst.edu](mailto:deanofstudents@marylhurst.edu)

Need for Accommodations: If you have a physical or learning disability and you need accommodation, please be certain you are registered with the Director of Student Services at 503.534.4073.

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**- IMPORTANT NOTICE REGARDING ACADEMIC POLICIES -**

**Course Completion**

Students are expected to complete all courses for which they register.

Dropping a Course: Students may drop a course without penalty until the published add/drop deadline.
Withdrawal from a Course: Students who encounter unexpected difficulties after the add/drop deadline may officially withdraw from the course through the Office of the Registrar through the last scheduled class meeting (or last class date for online courses) as per the Schedule of Courses.

Incomplete: An Incomplete (I) grade may be granted at the discretion of the instructor when:

1. No more formal instruction is needed;
2. At least 75% of the coursework (e.g., assignments, class participation) has been completed; and
3. The quality of work has been satisfactory; but
4. Some coursework cannot be completed before the grading deadline due to illness or unexpected circumstances beyond the control.

The Incomplete is granted for a period of one academic term.

For more information on course completion and other academic policies, see [www.marylhurst.edu/registrar/policies.php](http://www.marylhurst.edu/registrar/policies.php) (Links to an external site.) or the Marylhurst University Catalog.

Updated 8-15-2015

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