



## Call for Papers - ISSUES IN ACCOUNTING EDUCATION Incorporating Environmental, Social and Governance Reporting into Accounting Education

Various regulatory agencies are adding or expanding Environmental, Social, and Governance (ESG) reporting and assurance requirements. The European Union's (EU) new Corporate Sustainability Reporting Directive (CSRD) will affect companies listed on an EU exchange or with substantial EU operations or subsidiaries. These companies will be subject to various CSRD ESG disclosure and audit requirements (Holger 2023). Additionally, rules from California and the U.S. Securities and Exchange Commission (SEC) may require many companies to disclose ESG and climate-related data and possibly obtain third-party assurance on that data (FEI 2023).

In addition, the various reporting frameworks are starting to consolidate. For example, in 2022, the International Sustainability Standards Board (ISSB) assumed responsibility for the Sustainability Accounting Standards Board (SASB) standards (SASB 2024). With the focus on ISSB standards, companies may increase their voluntary reporting "with greater coherence" for capital markets to use for decision-making (Toplensky 2023). Even absent SEC environmental disclosure regulations, the SEC has increased its focus on ESG reporting with a "climate and ESG task force" within the enforcement division. For example, in 2023, the SEC announced its first settlement brought by this task force and which was \$55.9 million (SEC 2023).

As a result, accountants are increasingly becoming involved in work related to ESG. For example, accountants are being asked to add internal controls and rigor to monthly reporting (Foley and Temple-West 2023). This suggests that data collection, reporting, and assurance of ESG data are increasingly important to accountants. As accounting educators, employers will expect us to bring these topics into our classrooms either within existing courses or by adding ESG courses.

*Issues in Accounting Education* invites submissions for a special section on "Incorporating Environmental, Social and Governance Reporting into Accounting Education." This special section welcomes instructional materials related to ESG in accounting courses to better prepare accounting students for this changing ESG-related landscape. Instructional materials can be geared for a stand-alone ESG course or to incorporate ESG into more "traditional" accounting courses (e.g. audit, managerial, tax, data analytics, financial, etc.). We welcome materials focused on an international audience referencing the ISSB standards and/or the EU CSRD.

A non-inclusive list of examples of sustainability content includes:

- sustainability reporting standards (e.g. ISSB, Global Reporting Initiative),
- laws and regulations (e.g. SEC climate disclosure rules, EU CSRD and Corporate Sustainability Due Diligence Directive),
- international treaties (e.g. United Nations Paris Agreement, United Nations Sustainable Development Goals)

- assurance standards (e.g. International Auditing and Assurance Standards Board International Standard on Sustainability Assurance 5000, Public Company Accounting Oversight Board auditing standards)

ESG instructional materials include but are not limited to cases or learning strategies on topics such as:

- double materiality and the CSRD
- assurance of ESG data including both quantitative and qualitative data and what type of testing and evidence could be used
- analyzing ESG data through a COSO framework
- understanding various ESG reporting frameworks including differences by industry (this could also include designing reports, analyzing various reports, etc.)
- analyzing large data sets of ESG-related data
- greenhouse gas protocol emissions (including Scope 1, 2, and 3 emissions) including how these are calculated, where a company's emissions are primarily from, how a company can change these to meet targets, and how this information could be used strategically
- Managerial decision-making that significantly incorporates ESG aspects into the case

Submissions are welcome from all teaching faculty. Submissions should be prepared in accordance with *Issues in Accounting Education's* policies and manuscript preparation guidelines (found here: <https://aaahq.org/Research/Journals/Issues-in-Accounting-Education>) and initially submitted by **Tuesday, December 31, 2024**, via the journal's normal submission process (<https://www2.cloud.editorialmanager.com/issues/default2.aspx>). During submission, please indicate in the cover letter that your manuscript is in consideration for the special section on "Incorporating Environmental, Social, and Governance Reporting into Accounting Education."

## References

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- Foley, S., and P. Temple-West. 2023. Companies parachute accountants in to fix flawed ESG data. *The Financial Times*. January 17. <https://www.ft.com/content/98324acb-cce8-44cf-8a9d-87213084ac0c>
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- Securities and Exchange Commission (SEC). 2023. Brazilian Mining company to pay \$55.9 million to settle charges related to misleading disclosures prior to deadly dam collapse. March 28. <https://www.sec.gov/news/press-release/2023-63>
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Toplensky, R. 2023. Pro Take: Forget the SEC, International climate reporting standards could become the global baseline. *The Wall Street Journal*. June 26. <https://www.wsj.com/articles/pro-take-forget-the-sec-international-climate-reporting-standards-could-become-the-global-baseline-ea01d05a>