

A Proposal
Sustainability Accounting Section (SAS)
American Accounting Association

A. MISSION STATEMENT

The mission of the **Sustainability Accounting Section (SAS)** of the **American Accounting Association (AAA)** is to foster excellence in research, teaching, practice, continuing professional education (CPE) courses and curriculum development of business sustainability and environmental, social and governance (ESG) sustainability by creating opportunities to:

1. Facilitate interaction among SAS members with a common interest in business and ESG sustainability.
2. Create relevant and innovative curricula with an emphasis on effective and efficient instruction for business sustainability and ESG sustainability.
3. Explore the knowledge and organizational issues related to business sustainability factors of performance, risk, accounting, disclosure, and assurance.
4. Promote and disseminate sustainability academic and practitioner research.
5. Facilitate measurement of nonfinancial ESG sustainability.
6. Promote the practice of business sustainability services including sustainability reporting and assurance.
7. Organize sustainability conferences, workshops, and seminars.
8. Create and present CPE courses to members and professionals.

B. PURPOSE AND OBJECTIVES OF THE SAS SECTION

1. Research

1. To initiate, encourage and sponsor research in the field of business sustainability, ESG sustainability, sustainability accounting, reporting and assurance.
2. To stimulate discussion, promotion and dissemination of research means, methods, resources, and findings resulting from sustainability research.
3. To provide guidance and opportunities for members to conduct and improve their sustainability accounting research skills, tools, and techniques.
4. To facilitate grant funding proposals in business sustainability.
5. To promote the use of artificial intelligence (AI) in the development and measurement of financial and nonfinancial sustainability key performance indicators (KPIs).

2. Teaching and Education

1. To stimulate discussion and experimentation in instructional means, methods, and materials in the field of business sustainability.

2. To provide a forum for the exchange of ideas and findings about developments related to instruction, learning and curricular issues in business sustainability education.
3. To provide guidance and opportunities for members to evaluate and improve their business sustainability instructional methods, materials, and sustainability accounting, reporting and assurance skills.
4. To promote the profession and encourage qualified individuals to consider opportunities in business sustainability education by providing appropriate guidance and information about such careers.
5. To integrate business sustainability and sustainability accounting, reporting and assurance into business and accounting curricula.
6. To encourage a broad definition of scholarship with a high priority on teaching, learning, and curricular development in sustainability.
7. To create and present CPE courses to members and professionals.

3. Practice/Service

1. To provide sustainability-related services to professional organizations in pursuing sustainability initiatives and goals.
2. To provide sustainability-related consulting.
3. To collaborate with professional organizations and practitioners in the development of standards and guidelines for measurement, reporting and assurance of sustainability performance.

C. JUSTIFICATIONS FOR ESTABLISHING SAS

Business Sustainability is taking centre-stage in the global competitive business environment as business sustainability and ESG sustainability disclosure is now demanded by investors, required by regulators, and presented by companies. Indeed, the value of assets engaged in sustainable investing is now estimated at \$41 trillion and is projected to exceed \$53 trillion by 2025 worldwide. Our educational responsibility is to train the most competent and ethical future business leaders and accountants with cutting-edge, life-long learning, and relevant education including sustainability topics. Business colleges and accounting schools respond to the emerging initiatives in business sustainability by integrating these important educational topics into their curricula and many scholars have published sustainability related papers. There is a need for the establishment of the SAS for the following reasons:

1. SAS is a market-driven section as investors demand, regulators require, and entities produce sustainability information including sustainability reporting and assurance.
2. The AACSB standards now require “Business Sustainability, Corporate Governance, and Organizational Ethics” education for business colleges and accounting schools starting in January of 2019.
3. Sustainability is also integrated into all disciplines in business colleges from management, accounting, supply chain, marketing, economics, finance, and BIT and more than 500 business programs worldwide offer a stand-alone business sustainability

course. More than 164 business colleges and accounting schools in the United States are now offering courses/programs in business sustainability (Rezaee, 2023).

4. The AAA organized a two-day conference on February 17 and 18, 2023, entitled “Sustainability, ESG, and Accounting: Implications for the Academy and the Profession Conference”, which demonstrates the academic organizations commitments to business sustainability and ESG sustainability and will have similar ESG conference in February 2024.
5. The AAA has sponsored a survey to find the demand for and interest in sustainability education and the need for the establishment of a SAS. More than 82 percent of respondents (466) reported that they expect future demand for and interest in business sustainability education to increase and there is a demand for and interest in establishing the SAS.
6. About 70 percent of respondents of the 2023 AAA survey reported that they are extremely likely or likely to support the creation of the SAS.
7. More than 84 percent of respondents of the 2023 AAA survey reported that they will become members of the SAS whereas about 33 would like to have an officer position with the SAS and others would like to either sponsor or be a supporter.
8. The piecemeal approach of integrating business sustainability into the other 17 sections of the AAA may not serve the purpose of promoting sustainability within the AAA and may not increase the AAA membership, whereas a new SAS section has potential to bring in many new members (academics, students, professionals) and increase attendance at Annual AAA meetings.
9. The purposes and objectives of the SAS **do not overlap** with the existing AAA sections.
10. All 17 AAA journals publish topics in financial accounting, management accounting, auditing, international accounting, taxation, sustainability among others. However, there are specific sections and journals designated for focused topics of financial accounting, auditing, international, management accounting, taxation, forensic accounting among others.
11. The SAS is a long overdue section to promote business sustainability and ESG sustainability in bringing sustainability initiatives in the United States more in line with the rest of the world as sustainability topics get overlooked and shuffled in with other research topics within the 17 AAA journals and sections. Sustainability has become such an integrated, cross-disciplinary field that, even if individual Sections manage to provide it with appropriate coverage in their discrete areas, the AAA will still need some type of coordinating body to manage the ongoing "cross-pollination" needs of the field.

D. MEMBERSHIP, OFFICERS, AND RESPONSIBILITIES

1. Membership: All members of the SAS section will be either (1) members, (2) life members, (3) emeritus members, or (4) student members of the AAA. All members of the AAA are eligible for SAS membership. The SAS will have at least 350 members who will *committed* to becoming dues-paying members of the section.

2. Dues: SAS dues will be determined by the SAS’ Executive Committee. Dues categories will be structured to reflect the SAS strategy and to increase participation of classes of individuals facing varying economic conditions. A proposed budget of the first year’s dues and projected

costs will be determined by the SAS executive committee and majority vote of the SAS members.

3. Organization: The organization and activities of the SAS will be managed by the Executive Committee consist of, at a minimum, President/Chair, President-Elect/Vice President-Academic/Vice-Chair, Past President/Past Chair, Vice Presidents (as requested), Secretary, Treasurer, Historian, Council Representative, and Council Representative-Elect. The Executive Committee is responsible for directing the affairs of the SAS and formulating the plans, policies, rules, and procedures the Executive Committee considers necessary to achieve the Section's Mission. The President/Chair and three (3) other voting officers constitute a quorum. The Executive Committee may create/appoint positions, committees and task forces and may make similar assignments appropriate to achieve the SAS's Mission.

4. Participation: All members of the AAA are strongly encouraged to join the SAS section as regular members and volunteer for officer positions. The AAA has created a website for members to sign up electronically indicating that they would support the new SAS section through membership in the SAS. There should be at least 350 members to effectively establish the SAS and have a viable section. **Thus, please go to the designated AAA website and sign up.**

5. Further Information: Please contact the following if you have any questions or need more information about the SAS.

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