



<b>Course ID:</b>	<b>Course Title:</b>	<b>Winter 2017</b>
<b>BUS 323</b>	<b>Responsible and Impact Investing</b>	<b>Co-requisite: BUS220</b>
		<b>Credits: 3</b>

Class Information		Instructor Information		Important Dates	
<b>Days:</b>	Thursday	<b>Instructor:</b>	Patti Dolan, CFP®, CIWM, FCSI®, RIAC, CIM® Rosalynn Peschl, EMSL	<b>First day of classes:</b>	Wed., Jan 4, 2017
<b>Time:</b>	5:30pm – 8:15pm	<b>Email:</b>	Patti.Dolan@ambrose.edu Rosalynn.Peschl@ambrose.edu	<b>Last day to add/drop, or change to audit:</b>	Sun, Jan. 15, 2017
<b>Room:</b>	A2131	<b>Phone:</b>	Patti: 403-819-6846 Rosalynn: 403.512.5873	<b>Last day to request revised exam:</b>	Mon, Mar. 6, 2017
<b>Lab/ Tutorial:</b>	None	<b>Office:</b>	N/A	<b>Last day to withdraw from course:</b>	Fri, Mar. 17, 2017
<b>Office Hours:</b>	By appointment ( <i>email correspondence preferred</i> )			<b>Last day to apply for coursework extension:</b>	Mon, Mar. 29, 2017
<b>Final Exam:</b>	April 18, 2017 9:00am - noon Room A2141			<b>Last day of classes:</b>	Tue, April 11, 2017

### Course Description

This course develops an understanding of the rationale for, principles of, and financial instruments available for responsible and impact investment. Substantial parts of the course consider the regulatory enablers and barriers to impact investing and responsible investing, the challenges involved in their expansion, analysis of alternative instruments, and the measurement of social return on investment.

### Expected Learning Outcomes

**Social Finance** provides background knowledge and valuable insight into the role responsible investments can play in aligning values and investments. Students will be able to

- Define Responsible Investments,
- Describe Environment, Societal and Governance (ESG) issues.
- Recognize how ESG issues are related to sustainability trends
- Demonstrate how ESG issues create both risks and opportunities for investors.
- Identify a process for incorporating analysis of ESG issues into investment decisions.

**Impact Investing**, a subset of responsible investing, seeks to generate positive, measurable social benefits as well as financial returns. Upon completion of the course, students will be able to:

- Define impact investing and describe how it differs from Responsible Investing,
- Understand the legal and regulatory framework that affect impact investing
- Define a theory of change and know how to create one for a company.
- Recognize the opportunities and challenges associated with measuring social impact.
- Understand the role of social enterprise in impact investing and creating social benefit alongside financial return.

### Textbooks and Readings

There is no textbook for this course; however, there are numerous readings outlined in the Detailed Course Schedule and Learning Objectives section found towards the end of the syllabus.

### Course Schedule at a Glance:

Week – Date	Topic	Speaker/Instructor
Week 1 – Jan. 5	Responsible Investing - Introduction	Patti & Rosalynn
Week 2 – Jan. 12	Responsible Investment Strategies	Patti & Mary Ann Kenny - Enbridge
Week 3 – Jan. 19	ESG Issues	Patti & Dr. Mike Dixon Alberta Watersmart
Week 4 – Jan. 26	ESG Issues (2)	Patti & Chief Wesley
Week 5 – Feb. 2	RI Performance	Patti & Mark Brownlee – Responsibility Matters
Week 6 – Feb. 9	Venture Philanthropy	Patti & Rosalynn Lauren Frost Calgary Foundation
Week 7 – Feb. 16	Midterm Exam – Responsible Investing	Patti
Feb. 23	Term Break	Transition to Impact Investing
Week 8 – Mar. 2	Intro & underpinnings of Impact Investing, How different from RI?	
Week 9 – Mar. 9	Social impact policy & legal considerations	Courtney Hare
Week 10 – Mar. 16	Theory of Change	Jill Andres
Week 11 – Mar. 23	Measuring Social Impact	Stephanie Robertson
Week 12 – Mar. 30	Social Enterprise & Microfinance	Hannah Cree
Week 13 - Apr. 6	The future of RI & II trends Group Presentations	Rosalynn & Patti
Final Exam – Apr. 18	Final Exam – Impact Investing	

**Requirements:**

All assignments (unless otherwise notified) are to be submitted via Moodle by the time indicated in the Weekly Reading and Assignment schedule. Late assignments will lose 10% per day late.

In the case of legitimate or approved absence, and at the instructor’s discretion, the assigned date may be rescheduled to a later date, or if this is not practically possible, the marks may be reallocated to other components of the course grade.

Rapid Assessment Tests (RATS).....	20%
Group Project .....	20%
Midterm .....	25%
Final .....	25%
Participation .....	10%

Late assignments will lose 10% per day late.

Note: To pass the course, students must achieve an overall grade of at least 50% and receive a passing grade on the average of all individual assignments.

**Attendance:**

A key component of your grade is participation during class time. Students are expected to attend all classes, having prepared for class by reading the assigned text chapters ahead of time, completing exercises (if assigned) in advance of in-class discussions, and then actively participate in these discussions. If external circumstances or illness prevent you from attending or adequately preparing for a class, please let the instructor know ahead of time so that this can be taken into account, as repeated absences from class will negatively impact a student’s individual participation grade.

<b>Rubric Criteria (weight)</b>	<b>Excelling (85%–100%)</b>	<b>Accomplished (72%–84%)</b>	<b>Developing (60%–71%)</b>	<b>Beginning (0–59%)</b>
<b>Attendance (50%)</b> (Excludes certain excused absences such as Ambrose athletic teams practices and out-of-town games)	Misses no more than two classes (100%)	Misses three classes (80%).	Misses four classes (60%)	Misses five classes (40%); misses six classes (20%); misses seven or more classes (0%)

<p><b>Group Discussions and Contribution Quality (50%)</b></p> <p>Quality (depending upon context) is exemplified, but not limited to, the following: pursues thoughtful and rigorous lines of discussion, addresses relevant issues, builds on others' ideas, synthesizes across readings and discussions, challenges assumptions and perspectives, expands the group's/class' perspective.</p>	<p>Contributes great effort to group discussions; shares thoughts and ideas; is always prepared to respond to impromptu in-class questions. Input is always of high quality.</p>	<p>Contributes good effort to group discussions; mostly shares thoughts and ideas; is mostly prepared to respond to impromptu in-class questions. Input is mostly of high quality.</p>	<p>Contributes occasionally to group discussions; occasionally shares thoughts and ideas; is sometimes prepared to respond to impromptu in-class questions. Input is occasionally of high quality.</p>	<p>Seldom contributes to group discussions; seems disinterested; is not prepared to respond to impromptu in-class questions. Input is seldom or not of high quality.</p>
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In addition, RATS will take place in 10 of the 13 lectures contributing 20% of your grade. These assessments all take place during class time, absence from class will result in missing a RAT and a subsequent score of 0 on that particular RAT. Only under certain extenuating circumstances, which have been communicated to the instructor ahead of time, will an alternative arrangement be made available to the students.

### Grade Summary:

The available letters for course grades are as follows:

<i>% Grade</i>	<i>Letter Grade</i>	<i>Description</i>
95% to 100%	A+	Excellent
90% to 94%	A	
85% to 89%	A-	
80% to 84%	B+	Good
76% to 79%	B	
72% to 75%	B-	
68% to 71%	C+	Satisfactory
64% to 67%	C	
60% to 63%	C-	
55% to 59%	D+	Minimal Pass
50% to 54%	D	
0% to 49%	F	Failure

Because of the nature of the Alpha 4.00 system, there can be no uniform College-wide conversion scale. The relationship between raw scores (e.g. percentages) and the resultant letter grade will depend on the nature of the course and the instructor's assessment of the level of each class, compared to similar classes taught previously. Please note that final grades will be available on student registration system. Printed grade sheets are not mailed out.

## Detailed Course Schedule & Learning Objectives:

### RESPONSIBLE INVESTING

#### Week 1: Responsible Investing – Introduction

- Topics:
  - History & Evolution
  - Size, Segments and growth
  - Motives and players
  - How does Responsible Investing differ from conventional investment analysis
- Readings:
  - Responsible Investment Trends Report 2015
  - Millennials, Women, and the Future of Responsible Investing 2016

#### Week 2: Responsible Investment Strategies

- Topics:
  - Styles of responsible investing
  - Exclusion vs divestment
  - Shareholder engagement
  - Thematic investing
  - Green Bonds
- Readings:
  - A Practical Guide to ESG Integration for Equity Investing – UN PRI

#### Week 3: Environmental, Societal and Governance (ESG) Issues Part 1

- Topics:
  - Water Security
  - Climate Change
  - Supply Chain Management
  - Executive Compensation
  - Board Diversity
- Readings:
  - The Price of Climate Change Global Warming's Impact on Portfolios

## Week 4: Environmental, Societal and Governance (ESG) Issues Part 2

- Topics:
  - Aboriginal and Community Relations
  - Truth & Reconciliation
- Readings:
  - <http://reconciliationcanada.ca/chief-joseph-speaks-at-tedx-eastvan/>

## Week 5: Responsible Investment Performance

- Topics:
  - Performance Myths
  - Incorporating ESG into investment analysis
  - Market Indices
- Readings:
  - Sustainable Reality: The Performance of Sustainable Investment Strategies; Morgan Stanley Institute for Sustainable Investing (2015)
  - Canadian Responsible Investment Mutual Funds – Risk/Return Characteristics Study Findings – Carleton Centre for Community Innovation May 1, 2015

## Week 6: Venture Philanthropy

- Topics:
  - Targeting investments for systemic change
  - Funding mechanism – blending grants and investments
  - 100% Impact – Case study Inspirit Foundation
  - Segue to Impact Investing
- Readings:
  - Fully Committed – Our Roadmap towards a 100% Impact Portfolio

## Week 7: Midterm exam

- All topics up to & including week 6

***Feb 23: No Class (term break)***

## **TRANSITION TO IMPACT INVESTING**

### **Week 8: Intro & underpinnings of Impact Investing**

- Objectives:
  - Introduction to Impact Investing (II) & how it differs from SRI
  - Define impact investing concepts in broad terms
  - Develop a framework to understand II
  - Recognize implications & challenges that arise from this investment approach
  - Motivations and perspectives of investors – who invests in what? Why?
- Readings:
  - The Case Foundation: A Short Guide to Impact Investing (selected chapters)

### **Week 9: Social Impact Policy & Legal Considerations**

- Objectives:
  - Critically assess new impact investing public policy instruments
  - Connect these public policy instruments to their desired results and understand the unintended consequences of their use
  - Consider the pros & cons of social impact bonds
  - Identify the legal framework that surrounds impact investing
  - Compare Canadian, US & UK legal regimes
  - Consider the effect of legal regimes on the growth of the impact investing marketplace
  - Discuss where Canada leads & lags
- Readings:
  - Karim Harji & Tessa Hebb: Impact Investing in Canada – Iterative Experimentation with Policy & Practice
- Guest Speaker: Courtney Hare

### **Week 10: Theory of Change**

- Objectives:
  - Consider the need to measure impact
  - Appreciate the implications that arise from social impact measurement for both the organization and the funder/investor

Gain knowledge on the theory of change and its importance in social metrics

- Develop a theory of change for a local enterprise
- Recognize a variety of social metric methods
- Readings:
  - Dana Taplin & Helene Clark: Theory of Change Basics
- Guest Speaker: TBD

## **Week 11: Measuring Social Impact**

- Objectives:
  - Ability to read & understand an SROI report
  - Identify the method best suited to measure impact in your organization
  - Know how to undertake an SROI with an organization
- Readings:
  - Conference Board of Canada: A Beginner's Guide to Measuring Social Value
- Guest Speaker: Stephanie Robertson

## **Week 12: Social Enterprise & Microfinance**

- Objectives:
  - Gain knowledge of social enterprise and its growth in the sector
  - Critically assess the role of social enterprise as a way to diversify revenue in the sector
  - Analyze the role of social innovation in social enterprise development
  - Microcredit, micro insurance & Mohammed Yunus.
- Readings:
  - Jed Emerson & Sheila Bonini: Capitalism 3.0
- Guest Speaker: Stephanie Jackman and/or Hannah Cree

## **Week 13: Future of Responsible Investing & Impact Investing**

- Group project presentations



## Ambrose University Academic Policies:

### Communication

All students have received an Ambrose e-mail account upon registration. It is the student's responsibility to check this account regularly as the Ambrose email system will be the professor's instrument for notifying students of important matters (cancelled class sessions, extensions, requested appointments, etc.) between class sessions. If students do not wish to use their Ambrose accounts, they will need to forward all messages from the Ambrose account to another personal account.

### Registration

During the **Registration Revision Period** students may enter a course without permission, change the designation of any class from credit to audit and /or voluntary withdraw from a course without financial or academic penalty or record. Courses should be added or dropped on the student portal by the deadline date; please consult the List of Important Dates. After that date, the original status remains and the student is responsible for related fees.

Students intending to withdraw from a course after the Registration Revision Period must apply to the Office of the Registrar by submitting a "Request to Withdraw from a Course" form or by sending an email to the Registrar's Office by the **Withdrawal Deadline**; please consult the List of Important Dates on the my.ambrose.edu website. Students will not receive a tuition refund for courses from which they withdraw after the Registration Revision period. A grade of "W" will appear on their transcript.

Students wishing to withdraw from a course, but who fail to do so by the applicable date, will receive the grade earned in accordance with the course syllabus. A student obliged to withdraw from a course after the Withdrawal Deadline because of health or other reasons may apply to the Registrar for special consideration.

### Exam Scheduling

Students, who find a conflict in their exam schedule must submit a Revised Examination Request form to the Registrar's Office by the deadline date; please consult the List of Important Dates. Requests will be considered for the following reasons only: 1) the scheduled final examination slot conflicts with another exam; 2) the student has three final exams within three consecutive exam time blocks; 3) the scheduled final exam slot conflicts with an exam at another institution; 4) extenuating circumstances. Travel is not considered a valid excuse for re-scheduling or missing a final exam.

### Electronic Etiquette

Students are expected to treat their instructor, guest speakers, and fellow students with respect. It is disruptive to the learning goals of a course or seminar and disrespectful to fellow students and the instructor to use electronics for purposes unrelated to the course during a class session. Turn off all cell phones and other electronic devices during class. Laptops should be used for class-related purposes only. Do not use iPods, MP3 players, or headphones. Do not text, read, or send personal emails, go on Facebook or other social networks, search the internet, or play computer games during class. Some professors will not allow the use of any electronic devices in class. The professor has the right to disallow the student

to use a laptop in future lectures and/or to ask a student to withdraw from the session if s/he does not comply with this policy. Repeat offenders will be directed to the Dean. If you are expecting communication due to an emergency, please speak with the professor before the class begins.

### Academic Policies

It is the responsibility of all students to become familiar with and adhere to academic policies as stated in the Academic Calendar. Personal information (information about an individual that may be used to identify that individual) may be required as part of taking this class. Any information collected will only be used and disclosed for the purpose for which the collection was intended. For further information contact the Privacy Compliance Officer at [privacy@ambrose.edu](mailto:privacy@ambrose.edu).

### Extensions

Although extensions to coursework in the semester are at the discretion of the instructor, students may not turn in coursework for evaluation after the last day of the scheduled final examination period unless they have received permission for a course Extension from the Registrar's Office. Requests for course extensions or alternative examination time must be submitted to the Registrar's Office by the deadline date; please consult the List of Important Dates. Course extensions are only granted for serious issues that arise "due to circumstances beyond the student's control."

### Appeal of Grade

An appeal for change of grade on any course work must be made to the course instructor within one week of receiving notification of the grade. An appeal for change of final grade must be submitted to the Registrar's Office in writing and providing the basis for appeal within 30 days of receiving notification of the final grade, providing the basis for appeal. A review fee of \$50.00 must accompany the appeal. If the appeal is sustained, the fee will be refunded.

### Academic Integrity

We are committed to fostering personal integrity and will not overlook breaches of integrity such as plagiarism and cheating. Academic dishonesty is taken seriously at Ambrose University as it undermines our academic standards and affects the integrity of each member of our learning community. Any attempt to obtain credit for academic work through fraudulent, deceptive, or dishonest means is academic dishonesty. Plagiarism involves presenting someone else's ideas, words, or work as one's own. Plagiarism is fraud and theft, but plagiarism can also occur by accident when a student fails or forgets to acknowledge to another person's ideas or words. Plagiarism and cheating can result in a failing grade for an assignment, for the course, or immediate dismissal from the university college. Students are expected to be familiar with the policies in the current Academic Calendar that deal with plagiarism, cheating, and the penalties and procedures for dealing with these matters. All cases of academic dishonesty are reported to the Academic Dean and become part of the student's permanent record.

**Note:** Students are strongly advised to retain this syllabus for their records.