

# Green Accounting Based on University Social Responsibility at Politeknik Negeri Bali

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**Abstract**—University Social Responsibility is a concept of social responsibility of a university to its environment. The disclosure of social information related to the application of USR in the university has not yet been compulsory according to financial accounting standards in Indonesia, but as an institution that is closely related to the environment, the disclosure of accounting related to environmental conservation which is known as green accounting needs to be done by an university. This study aims to determine the application of green accounting based on university social responsibility (USR) as a form of environmental concern at Politeknik Negeri Bali. The type of this research is qualitative research using a phenomenological approach. Data sources are primary data with data collection methods such as interviews and observations and other secondary data support and methods of data analysis by building research conclusions by abstracting empirical data collected from the field. The results of this study indicate that the level of environmental awareness and environmental involvement at the Politeknik Negeri Bali is quite good but has not been supported by the existence of environmental reporting and environmental audit in Politeknik Negeri Bali.

**Keywords**—*corporate social responsibility, environmental awareness, green accounting, higher education, university social responsibility*

## I. INTRODUCTION

Climate change is an issue that recently become global concern. Climate change caused by global warming has an impact on various changes to the earth. The increase in earth temperature not only has an impact on rising temperatures but also changes the climate system that affects various aspects of changes in nature and human life, such as the quality and quantity of water, habitat, forests, health, agricultural land, and coastal ecosystems.

Human activity is one of the main factors in climate change. Current issues regarding environmental that caused by the climate change have received much attention from the community, industry, and government. Companies need to place commitments on the environment as the main and inseparable things from the company's operations.

The company's responsibility for the environment is known as Corporate Social Responsibility (CSR). CSR is about the ways an entrepreneur can add value to their business by looking more closely at some of the social and

environmental aspects of operational activities they carried out [1]. The CSR of a company must be demonstrated through transparent and accountable disclosure of information to the public. Accounting as a business language should disclose the information to corporate stakeholders. When a company starts a green movement as part of their responsibility for the environment, and so was born the term of Green accounting [2]. Green accounting is a type of accounting that can provide information about how much the environmental costs that must be spent by the company to produce products or services that are environmentally friendly [3].

The implementation of green accounting is not only done in companies but also in universities as a form of university responsibility towards the community. The university has a direct impact on the future of the world for training professionals and leaders and make knowledge accessible to all [4]. The CSR concept at the University, known as University Social Responsibility or USR. University social responsibility (USR), is a philosophy or principle for social movement, which can be perceived as a philosophy of a university to use an ethical approach to develop and engage with the local and global community in order to sustain the social, ecological, environmental, technical, and economic development [6].

University has a social responsibility to their environment if it has concern for the environment itself. The concern of university's environment should be followed by the involvement of the organization in environmental issues and followed by environmental reporting especially organizational performance in overcoming the impact of organizational activities on the environment. To measure and evaluate an organization's performance related to its environment, an environmental audit needs to be carried out [7].

The university's level of concern for the environment is not only can be seen from the cleanliness maintained in campus area but also needs to be viewed in terms of attention, involvement, reporting and auditing or re-assessment of the environment [8]. Based on this phenomenon, the purpose of this study is to analyze the application of the concept of Green Accounting based on University Social Responsibility (USR) at Politeknik Negeri Bali.

## II. LITERATURE REVIEW

### A. Green Accounting

The development of the industrial world and the attention of the public and industry to the environment led to the discourse of social accounting and environmental accounting. Green accounting is a medium of communication with the public to convey if an organization seriously improves its environmental performance. The aim of improving environmental performance is to propose a continuous improvement performance for environmental control [9]. Green accounting is a contemporary concept in accounting that supports the green movement of business entities in which it identifies, measures, assesses, and discloses costs related to company activities related to the environment [10].

Environmental accounting is the activity of collecting, analyzing, and preparing reports related to the environment and financial data with the aim of reducing the impact and costs of environmental damage [11]. Environmental accounting includes identifying the costs and benefits of environmental conservation activities, providing information through quantitative measurements to support communication in terms of achieving sustainable business development, and maintaining mutually beneficial relationships with the community, and achieving effectiveness and efficiency from environmental conservation activities [12].

### B. University Social Responsibility

The form of social responsibility accounting is known as corporate social responsibility (CSR) and sustainability reporting (SR). The social responsibility accounting report can be reported to the annual report or as a separate report from the annual report.

CSR accounting is defined as the process of selecting enterprise-level social performance variables, measures, and measurement procedures, which systematically develop useful information to evaluate a company's social performance and communicate that information to interested social groups, both inside and outside the company [13].

The concept of social responsibility or Corporate Social Responsibilities (CSR) in higher education is better known as the University Social Responsibilities (USR). Disclosure of social information related to the application of USR in university has not yet been compulsory according to financial accounting standards in Indonesia, but the university has an important role in realizing environmental sustainability. The stages of university social responsibility implementation are divided into 4 main stages: environmental awareness, environmental involvement, environmental reporting, and environment audit [14].

Environmental Awareness can be considered as a concern for the facts and behavior of oneself with certain consequences for the environment [15]. Environmental Involvement is the organization's commitment to participate in sustainable economic development in order to improve the quality of life and the environment that is beneficial, both for the Company itself and also the community [16]. Environmental reporting is needed for the decisions making

process and in the context of the need for material and relevant information disclosure regarding the university [17].

## III. RESEARCH METHOD

The type of method used in this research is qualitative research based on phenomenological research approach. The data sources used in this study are primary data, based on the results of observations regarding the application of green accounting at the Bali State Polytechnic and in-depth interviews with informants who are considered competent in their fields. The data used were subjects from interviews with informants and documentary data. The informants referred to in this study were: Director and Vice Director I of Politeknik Negeri Bali, Head of UPT-PP Unit Politeknik Negeri Bali, Head of Financial Section Politeknik Negeri Bali, Head of Research Unit, Head of SPI Unit Politeknik Negeri Bali, Cleaning Service, Lecturer, and Students of Politeknik Negeri Bali. The method used to analyze the data in this study is qualitative analysis method. The researcher will build the research conclusions by abstracting empirical data collected from the field and looking for patterns contained in those data.

## IV. RESULT AND DISCUSSION

### A. Environment Awareness

The first step that universities must do to implement Green Accounting is to build awareness and commitment to the importance of Social Responsibility in University. In Politeknik Negeri Bali until now there has been no related formal regulation regarding the environment. The Environmental awareness is reflected in the Politeknik Negeri Bali's vision and mission and the activities that have been carried out in the university environment

USR can be put into practice when university leaders can be role models in environmental protection and emphasize public responsibility, ethical behavior, and the need to practice good citizenship. The Director of Politeknik Negeri Bali will compile legal regulations related to the environment as a basis for preserving the environment at Politeknik Negeri Bali. Universities can tailor their research missions to produce research that benefits the public, the local economy, and society [19]. Based on data from research unit in Politeknik Negeri Bali, there are many studies related to environmental conservation such as minimizing the use of fuel and resources were made by the lecturer, unfortunately the results of this study have not been fully implemented in the university environment. Students and lecturers participate in maintaining environmental preservation by reducing paper use through e-learning system, disposing of waste in the space provided and reducing the use of plastic bag. Environmental Conservation Agency as part of Government Institution also give support by donate trees to Politeknik Negeri Bali each year to preserve the environment.

### B. Environmental Involvement

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### C. Environmental Reporting

The environmental reporting has not been specifically contained in Politeknik Negeri Bali report. There are environmental costs which are classified as maintenance costs. The cost allocation is not in the Green Accounting concept or environmental cost report. Politeknik Negeri Bali combines all costs in maintenance costs such as maintenance of equipment, buildings, and also cleaning and processing of university's waste and does not report it in detail the activities and costs in environmental management.

### D. Environmental Auditing

Environmental audit is a comprehensive examination tool in the environmental management system to objectively verify environmental management efforts and can help find corrective steps to improve environmental performance. Politeknik Negeri Bali has never conducted an environmental audit because the costs related to the environment were classified as maintenance costs in general financial statements.

## V. CONCLUSION

Politeknik Negeri Bali were concern and aware about the environment. Although there is no formal regulation regarding the environmental, the activities that have been carried out in the university environment showed awareness of the environment. The leader has a special attention related to the environmental preservation and all the stakeholder in Politeknik Negeri Bali also give support about the environment. The Availability of Environmental Unit showed that Politeknik Negeri Bali already participate to improve the quality of the environment. There have been activities like tree planting, and carbon footprint audits that are form of collaboration both with government and private sector to preserve the university environment. The availability of environmental costs under UPT-PP

Unit allocated for maintenance costs, together with the cost of preservation repairs derived from grants, management and reduction of natural resources have been applied as well as safety studies that have become a rule in the university environment. There is no specific Green Accounting Report found in Politeknik Negeri Bali and there are no detailed environmental reports yet, but support for the application of green accounting is available if there is instruction from the decision maker. For the internal supervisory unit, the audit of Politeknik Negeri Bali on the environment has not been conducted yet because the costs related to the environment were classified as maintenance costs in general financial statements.

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