

RANDALL S. BILLINGSLEY

January 2017

UNIVERSITY ADDRESS

Department of Finance (0221)
Pamplin Hall 1016, Virginia Tech
880 West Campus Drive
Blacksburg, VA 24061
Phone: (540) 231-7374
Fax: (540) 231-3155
E-mail: r.billingsley@vt.edu

APPOINTMENTS

- 2013 - current:** Associate Professor of Finance
Virginia Polytechnic Institute & State University
- 2011 – 2013:** Visiting Professor of Finance, Schools of Business, Wake Forest University
Associate Professor, On Leave of Absence
Virginia Polytechnic Institute & State University
- 2010 – 2011:** Assistant Department Head, Department of Finance, Virginia Polytechnic
Institute & State University
- 2013 – current:
(and 2002 – 2011)** Advisor, Student-Managed Endowment for Educational Development
(SEED), Virginia Polytechnic Institute & State University
- Duties: Organize, advise, and instruct finance undergraduates and
MBAs managing approximately \$5 million equity fund on
behalf of the Virginia Tech Foundation.
- 1994 - 2011:** Associate Professor of Finance
Virginia Polytechnic Institute & State University
- 1993:** Vice President
Association for Investment Management and Research
(Subsequently renamed the CFA Institute)
Education and Programs Department

Duties: Project director, responsible for the development and design of education technology products. Projects included videos on options and futures analysis, ethical issues in the investment profession, and financial statement analysis for investment valuation and management.

Responsible for the design and offering of continuing education programs to meet the needs of AIMR's members in particular and the investment industry in general.

Associate Professor, On Leave of Absence
Virginia Polytechnic Institute & State University

1987-1992: Associate Professor of Finance
Virginia Polytechnic Institute & State University

1981-1987: Assistant Professor of Finance
Virginia Polytechnic Institute & State University

1978-1981: Lecturer of Finance
Texas A&M University

1977-1978: Lecturer of Economics
Research Assistant in Economics
Texas A&M University

Summers 1978, 1980: Research Associate
Texas Transportation Institute
Texas A&M University

PROFESSIONAL DESIGNATIONS

1986: Chartered Financial Analyst (CFA)
The Institute of Chartered Financial Analysts

1992: Certified Rate of Return Analyst (CRRA)
National Society of Rate of Return Analysts

2007: Financial Risk Manager (FRM)
Global Association of Risk Managers

EDUCATION

- 1982:** Doctor of Philosophy in Finance, supporting field in Economics
Dissertation Title: "A Multivariate Analysis of Bank Holding Company
Capital Note and Debenture Ratings"
Chairman: Dr. Donald R. Fraser
Texas A&M University
- 1978:** Master of Science in Economics, supporting field in Statistics
Texas A&M University
- 1976:** Bachelor of Arts in Economics
Texas Tech University

PRIMARY TEACHING AND RESEARCH INTERESTS

- Teaching:** Equity valuation and portfolio management; investment management.
- Research:** Equity valuation methods, information uncertainty, and regulatory financial issues.

TEACHING HONORS

William E. Wine Award for Teaching Excellence, Virginia Polytechnic Institute & State University, 2011.

Teaching Excellence Award, Pamplin College of Business, Virginia Polytechnic Institute & State University, 2008-2009.

Holtzman Outstanding Educator Award, Pamplin College of Business, Virginia Polytechnic Institute & State University, 2008-2009.

Teaching Excellence Award, Pamplin College of Business, Virginia Polytechnic Institute & State University, 2002-2003.

Holtzman Outstanding Educator Award, Pamplin College of Business, Virginia Polytechnic Institute & State University, 2002-2003.

Teaching Excellence Award, Pamplin College of Business, Virginia Polytechnic Institute & State University, 1986-1987.

Excellence in Teaching Award, MBA Association, Virginia Polytechnic Institute and State University, 1985-1986.

PUBLICATIONS

Books

Understanding Arbitrage: An Intuitive Approach to Financial Analysis, (Upper Saddle River, New Jersey: Wharton School Publishing, 2006), (Author listing: Randall S. Billingsley).

Candidate Study Notes: CFA Exam Review, Authored material on equity valuation, portfolio analysis, and derivatives and alternative investments, which are in Volumes I and 3. (Cengage Learning: Mason, OH, 2008), (Author listing: Randall S. Billingsley, John Paul Broussard, John S. Howe, Edward Nelling, J. Clay Singleton, and E. Theodore Veit. Series Editor: Michael D. Joehnk).

Candidate Study Notes: CFA Exam Review, Authored material on equity valuation, portfolio analysis, and derivatives and alternative investments, which are in Volumes I and 3. (Cengage Learning: Mason, OH, 2009), (Author listing: Randall S. Billingsley, John Paul Broussard, John S. Howe, Edward Nelling, J. Clay Singleton, and E. Theodore Veit. Series Editor: Michael D. Joehnk).

Personal Financial Planning, (Cengage Learning: Mason, OH, 14th edition, 2016), (Author listing: Lawrence J. Gitman, Michael D. Joehnk, and Randall S. Billingsley).

PFIN, (South-Western College Publishing: Mason, OH, 5th edition, 2016), (Author listing: Lawrence J. Gitman, Michael D. Joehnk, and Randall S. Billingsley). (Personal finance textbook related to above *Personal Financial Planning* book.) 6th edition forthcoming, 2017.

Journal Articles - Refereed

"A Trading Strategy to Profit from Overly Aggressive Downward Earnings Guidance," *Journal of Portfolio Management*, Vol. 40, No. 2, Winter 2014, pp. 64-68 (Author listing: Randall S. Billingsley and Bruce G. Resnick).

"The 2008 Short Sale Ban: Liquidity, Dispersion of Opinion, and The Cross-Section of Returns of U.S. Financial Stocks," *Journal of Banking and Finance*, Vol. 35, No. 9, September 2011, pp. 2252-2266 (Author listing: Don M. Autore, Randall S. Billingsley, and Tunde Kovacs).

"Information Uncertainty and Auditor Reputation," *Journal of Banking and Finance*, Vol. 33, No. 2, February 2009, pp. 183-192 (Author listing: Don M. Autore, Randall S. Billingsley, and Meir Schneller).

"The Benefits and Limits of Diversification Among Commodity Trading Advisors," *Journal of Portfolio Management*, Vol. 23, No. 1, Fall 1996, pp. 65-80 (Author listing: R. S. Billingsley and D. M. Chance).

"Why Do Firms Issue Convertible Debt?" *Financial Management*, Vol. 25, No. 2, Summer 1996, pp. 93-99, (Author listing: R. S. Billingsley and D. M. Smith).

"Simultaneous Debt and Equity Offerings and Capital Structure Targets," *Journal of Financial Research*, Vol. 17, No. 4, Winter 1994, (Author listing: R. S. Billingsley, D. M. Smith, and R. E. Lamy).

"Regional Reciprocal Interstate Banking: The Supreme Court and the Resolution of Uncertainty," *Journal of Banking and Finance*, Vol. 16, No. 1, 1992, pp. 665-686, (Author listing: R. S. Billingsley and R. E. Lamy).

"Integration of the Mortgage Market," *Journal of Financial Services Research*, Vol. 6, 1992, 137-155, (Author listing: R. S. Billingsley, V. A. Bonomo, and S. P. Ferris).

"Units of Debt with Warrants: Evidence of the 'Penalty-Free' Issuance of an Equity-Like Security," *The Journal of Financial Research*, Vol. 13, No. 3, Fall 1990, pp. 187-199, (Author listing: R. S. Billingsley, R. E. Lamy, and D. M. Smith).

"Shareholder Wealth and Stock Repurchases by Bank Holding Companies," *Quarterly Journal of Business and Economics*, Vol. 28, No. 1, Winter 1989, pp. 3-25, (Author listing: R. S. Billingsley, D. R. Fraser and G. R. Thompson).

Abstract: *Journal of Economic Literature*, Vol. 27, No. 3, September 1989, p. 1503.

"The Regulation of International Lending: IMF Support, the Debt Crisis, and Bank Shareholders," *Journal of Banking and Finance*, Vol. 12, No. 2, 1988, pp. 255-274, (Author listing: R. S. Billingsley and R. E. Lamy).

"Put-Call Ratios and Market Timing Effectiveness," *Journal of Portfolio Management*, Vol. 15, No. 1, Fall 1988, pp. 25-28, (Author listing: R. S. Billingsley and D. M. Chance).

Citation: "Using 'Dumb' Money as a Market Guide," Earl C. Gottschalk, Jr., the *Wall Street Journal*, January 17, 1989, p. C1.

"Bankruptcy Avoidance as a Merger Incentive," *Managerial Finance*, Vol. 14, No. 1, November 1988, pp. 25-33, (Author listing: R. S. Billingsley, D. J. Johnson, and R. P. Marquette).

"The Pricing and Performance of Stock Index Futures Spreads," *Journal of Futures Markets*, Vol. 8, No. 3, June 1988, pp. 303-318, (Author listing: R. S. Billingsley and D. M. Chance).

"The Choice Among Debt, Equity, and Convertible Bonds," *Journal of Financial Research*, Vol. 11, No. 1, Spring 1988, pp. 43-55, (Author listing: R. S. Billingsley, R. E. Lamy, and G. R. Thompson).

"Valuation of Primary Issue Convertible Bonds," *Journal of Financial Research*, Vol. 9, No. 3, Fall 1986, pp. 251-259, (Author listing: R. S. Billingsley, R. E. Lamy, and G. R. Thompson).

Abridged Reprint: *The CFA Digest*, Vol. 17, No. 2, Spring 1987, pp. 18-19.

"The Reaction of Defense Industry Stocks to World Events," *Akron Business and Economic Review*, Vol. 18, No. 2, Summer 1987, pp. 40-47, (Author listing: R. S. Billingsley, R. E. Lamy, and G. R. Thompson).

"Listed Stock Options and Managerial Strategy," *Strategy and Executive Action*, No. 4, Fall 1986, pp. 17-20, 28, (Author listing: R. S. Billingsley and D. M. Chance).

"Reevaluating Mortgage Refinancing "Rules of Thumb," *Journal of the Institute of Certified Financial Planners*, Vol. 7, No. 1, Spring 1986, pp. 37-45, (Author listing: R. S. Billingsley and D. M. Chance).

"Explaining Yield Savings on New Convertible Bond Issues," *Quarterly Journal of Business and Economics*, Vol. 24, No. 3, Summer 1985, pp. 92-104, (Author listing: R. S. Billingsley, R. E. Lamy, M. W. Marr, and G. R. Thompson).

Abstract: *Journal of Economic Literature*, Vol. 24, No. 2, June 1986, p. 1083.

"Options Market Efficiency and the Box Spread Strategy," *Financial Review*, Vol. 20, No. 4, November 1985, pp. 287-301, (Author listing: R. S. Billingsley and D. M. Chance).

Reprint: *CFA Readings in Derivative Securities*, pp. 217-231, Charlottesville, VA: The Institute of Chartered Financial Analysts, 1988.

"Determinants of Stock Repurchases by Bank Holding Companies," *Journal of Bank Research*, Vol. 16, No. 3, Autumn 1985, pp. 128-35, (Author listing: R. S. Billingsley and G. R. Thompson).

"The Informational Content of Unrated Industrial Bonds," *Akron Business and Economic Review*, Vol. 16, No. 2, Summer 1985, pp. 53-58, (Author listing: R. S. Billingsley and R. E. Lamy).

"Split Ratings and Bond Reoffering Yields," *Financial Management*, Vol. 14, No. 2, Summer 1985, pp. 59-65, (Author listing: R. S. Billingsley, R. E. Lamy, M. W. Marr, and G. R. Thompson).

"Determinants of Bank Holding Company Bond Ratings," *Financial Review*, Vol. 19, No. 1, March 1984, pp. 55-66, (Author listing: R. S. Billingsley and D. R. Fraser).

Abstract: *Journal of Economic Literature*, Vol. 22, No. 4, December 1984, p. 2010.

"Market Reaction to the Formation of One-Bank Holding Companies and the 1970 Bank Holding Company Act Amendment," *Journal of Banking and Finance*, Vol. 8, No. 2, 1984, pp. 21-33, (Author listing: R. S. Billingsley and R. E. Lamy).

Journal Articles - Other

"Preliminary Study Indicates Optimal Number of Advisors May Be 40 +," *Managed Account Reports*, Issue No. 185, July 1994, p. 13.

"Managing Portfolios Using Index Options," *Futures*, Vol. 14, No. 9, September 1985, pp. 70-74, (Author listing: D. M. Chance and R. S. Billingsley).

Monographs & Sponsored Research

"The Evolution of Depository Institution Regulation in the United States," in *Banking and Monetary Reform: A Conservative Agenda*, Catherine England, pp. 47-56, Washington, D. C.: The Heritage Foundation, 1985, (Author listing: R. S. Billingsley).

Fare Box and Public Revenue: How to Finance Public Transportation. State Department of Highways and Public Transportation, Texas Transportation Institute, February 1980, (Author listing: R. S. Billingsley, P. K. Guseman and W. F. McFarland).

Cases

"Merck & Company: A Comprehensive Equity Valuation Analysis," Charlottesville, VA: The Association for Investment Management and Research, (Author listing: R. S. Billingsley), 1996.

Adopted by the Candidate Curriculum Committee of the CFA Program: 1997, 1998, 1999, 2000, 2001, and 2002.

"Equity Securities Analysis Case Study: Merck & Company," *The CFA Candidate Readings II*, Charlottesville, VA: The Association for Investment Management and Research, (Author listing: R. S. Billingsley), 1994.

Adopted by the Candidate Curriculum Committee of the CFA Program: 1994, 1995, and 1996.

Proceedings

"Bankruptcy Avoidance as a Merger Incentive: An Empirical Study of Failing Firms," *Financial Review*, Vol. 18, No. 3, 1983, p. 94, (Author listing: R. S. Billingsley, D. J. Johnson, and R. P. Marquette).

"A Multivariate Analysis of the Ratings of Bank Holding Company Debt Issues," *The Financial Review*, Vol. 17, No. 2, July 1982, p. 57, (Author listing: R. S. Billingsley and D. R. Fraser).

Editor

"Corporate Decision Making and Equity Analysis," Seminar Proceedings, Charlottesville, VA: The Association for Investment Management and Research, (Author listing: R. S. Billingsley, Editor), 1995.

"Industry Analysis: The Telecommunications Industry," Seminar Proceedings, Charlottesville, VA: The Association for Investment Management and Research, (Author listing: R. S. Billingsley, Editor), 1994.

PAPERS PRESENTED AT PROFESSIONAL MEETINGS

"Regulatory Uncertainty, Corporate Expectations, and the Postponement of Investment: The Case of Electricity Market Deregulation," (Author listing: R. S. Billingsley and C. J. Ullrich). Presented at the Energy & Finance Conference, Erasmus School of Economics, Erasmus University, Rotterdam, The Netherlands, October 2011. Winner of the Best Academic Paper Award.

"Short Sale Constraints, Dispersion of Opinion, and Market Quality: Evidence from the Short Sale Ban on U.S. Financial Stocks," (Author Listing: D. M. Autore, R. S. Billingsley, and Tunde Kovacs). Presented at the Financial Management Association Meetings, Reno, Nevada, October 2009. (Subsequently published in the *Journal of Banking and Finance*, see article citation.)

"Information Uncertainty and Auditor Reputation," (Author listing: D. M. Autore, R. S. Billingsley, and M. I. Schneller). Presented at the Financial Management Association Meetings, Orlando, Florida, October 2007. (Subsequently published in the *Journal of Banking and Finance*, see article citation.)

"The Telecommunications Act of 1996: Preliminary Surprises of Deregulation," (Author listing: R. S. Billingsley, P. P. Peterson, and J. M. Pinkerton). Presented at the Financial Management Association Meetings, Seattle, Washington, October 2000.

"Further Evidence on the Gains from Diversification in Multi-Manager Programs," (Author listing: R. S. Billingsley and D. M. Chance). Presented at Managed Account Reports' conference, *Alternative Investment Strategies*, Chicago, Illinois, June 1995.

"The Gains from Diversification in a Multi-Manager Program: Some Preliminary Results," (Author listing: R. S. Billingsley and D. M. Chance). Presented at Managed Account Reports' conference, *Derivatives Investment Management*, Chicago, Illinois, July 1994.

"Firm Value and Convertible Debt Issues: Signaling vs. Agency Effects," (Author listing: R. S. Billingsley, R. E. Lamy, and D. M. Smith). Presented at the Eastern Finance Association Meetings, Hot Springs, Virginia, April 1991.

"The Valuation of Simultaneous Debt and Equity Offerings," (Author listing: R. S. Billingsley, R. E. Lamy, and D. M. Smith). Presented at the Financial Management Association Meetings, Orlando, Florida, October 1990.

"The Choice Between Issuing Convertible Bonds and Units of Debt with Warrants," (Author listing: R. S. Billingsley, R. E. Lamy and D. M. Smith). Presented at the Financial Management Association Meetings, New Orleans, Louisiana, October 1988. (Subsequently published in *The Journal of Financial Research*, see article citation.)

"The Choice Among Debt, Equity, and Convertible Bonds," (Author listing: R. S. Billingsley, R. E. Lamy, and G. R. Thompson). Presented at the Financial Management Association Meetings, Las Vegas, Nevada, October 1987. (Subsequently published in *The Journal of Financial Research*, see article citation.)

"The Regulation of International Lending: IMF Support, the Debt Crisis, and Bank Shareholders," (Author listing: R. S. Billingsley and R. E. Lamy). Presented at the Conference on Bank Structure and Competition, Federal Reserve Bank of Chicago, Chicago, Illinois, May 1986. (Subsequently published in the *Journal of Banking and Finance*, see article citation.)

"Valuation of Primary Issue Convertible Bonds," (Author listing: R. S. Billingsley, R. E. Lamy and G. R. Thompson). Presented at the Financial Management Association Meetings, Denver, Colorado, October 1985. (Subsequently published in *The Journal of Financial Research*, see article citation.)

"The Economic Impact of Split Ratings on Bond Reoffering Yields," (Author listing: R. S. Billingsley, R. E. Lamy, M. W. Marr, and G. R. Thompson). Presented at the Financial Management Association Meetings, Toronto, Canada, October 1984. (Subsequently published in *Financial Management*, see article citation.)

"The Informational Content of Unrated Industrial Bonds," (Author listing: R. S. Billingsley and R. E. Lamy). Presented at the Financial Management Association Meetings, Atlanta, Georgia,

October 1983. (Subsequently published in *Akron Business and Economic Review*, see article citation.)

"Bankruptcy Avoidance As A Merger Incentive: An Empirical Study of Failing Firms," (Author listing: R. S. Billingsley, R. P. Marquette, and D. J. Johnson). Presented at the Eastern Finance Association Meetings, New York, New York, April 1983. (Subsequently published in *Managerial Finance*, see article citation.)

"A Multivariate Analysis of the Ratings of Bank Holding Company Debt Issues," (Author listing: R. S. Billingsley and D. R. Fraser). Presented at the Eastern Finance Association Meetings, Jacksonville, Florida, April 1982. (Subsequently published in *The Financial Review*, see article citation.)

**PROFESSIONAL EDUCATIONAL SEMINARS PLANNED AND ORGANIZED FOR THE
ASSOCIATION FOR INVESTMENT MANAGEMENT AND RESEARCH
(Subsequently renamed the CFA Institute)**

"Corporate Financial Decision Making and Equity Analysis," New York, NY, February 2000. Conference Moderator: M. Kritzman.

"Risk Management," Boston, MA, March 1999. Conference Moderator: B. Putnam.

"Investing in the "New" Telecommunications Industry," New York, NY, September 1997. Conference Moderator: L. J. Haverty, Jr.

"Managing the Investment Professional," Chicago, IL, April 1996. Conference Moderator: R. S. Lannamann.

"Effective Risk Management in the Investment Firm," Boston MA, October 1995. Conference Moderator: G. L. Gastineau.

"Equity Analysis: The Role of Corporate Financial Decision Making," Washington, D.C., January 1995. Conference Moderator: R. S. Billingsley.

"Blending Quantitative and Traditional Equity Analysis," Boston, MA, March 1994. Conference Moderator: H. R. Fogler.

"Industry Analysis: The Telecommunications Industries," New York, NY, November 1993. Conference Moderator: R. S. Billingsley.

PROFESSIONAL SERVICE

Board of Directors

Virginia Tech Services, chair of audit committee, 2005 – 2010.

Society of Utility and Regulatory Financial Analysts, 1993 – 2002.

Virginia Tech Faculty Senate

Senator, 2006 - 2009.

CFA Institute Activities

(Formally the Association for Investment Management and Research)

Professional service beyond duties performed as Vice President.

Grading Staff, Institute of Chartered Financial Analysts, June 1987.

Candidate Curriculum Committee, Institute of Chartered Financial Analysts, Quantitative Analysis Subcommittee, 1987-1989.

CFA Examination Analysis Team, Levels I-III, March 1988.

CFA Examination Grading Review Team, July 1988.

Faculty, CFA Refresher Course, Valuation: Equity, Charlottesville, VA, June 1992, June 1993, June 1994, UCLA, November 1994.

Faculty, Basics of Equity Analysis, Montreal, Quebec, Canada, November 1994.

Manuscript Referee for Selected Journals

Journal of Banking and Finance

Journal of Business Research

Journal of Financial Research

Journal of Futures Markets

Financial Review

Quarterly Review of Business and Economics

International Review of Economics and Finance

Journal of Business Research

SELECTED INVITED PAPER PRESENTATIONS, SPEECHES, AND WORKSHOPS

Paper presented at Wake Forest University, the College of William and Mary, and Rollins College, Spring 2011, "Short Sale Constraints and Dispersion of Opinion: Evidence from the Short Sale Ban on U.S. Financial Stocks," Author listing: Don M. Autore, Randall S. Billingsley, and Tunde Kovacs.

Mubadala Development, "Company Analysis: Valuation, Forecasting, and Financial Modeling," Abu Dhabi, UAE, April 2009.

The Richmond Society of Financial Analysts, "Reverse Financial Engineering and the Consensus Equity Valuation," Richmond, VA, January 2004.

LDC/Virginia State Corporation Commission Conference, "LDC Return On Equity: Has The World Changed? Common Myths in Cost of Capital Analysis," Roanoke, VA, October 2003.

Securities Analysts' Association, "Equity Valuation and Analysis Workshop," Bangkok, Thailand, March 1997 and March 1998.

Maryland - District of Columbia Utilities Association, "Telecommunications: Increasing Risk on the Horizon? An Investment Community Perspective," 71st Annual Fall Conference, Ocean City, MD, September 1995.

Bell Atlantic, "Do the 'Traditional' Cost of Equity Estimation Methods Work in the Current Environment?" National Accounting Witness Conference, Landsdowne Conference Resort, VA, April 1994.

Southeastern Electric Exchange, "Trends in Estimating the Cost of Equity for Public Utilities," St. Petersburg, FL, October 1993.

Securities Analysts' Association, "Common Problems in Valuing Equity Securities," Bangkok, Thailand, April 1992.

Virginia Bankers Association, Group Five (Credit Policy Committee), "Want to Sell Your Bank?" Interstate Banking in 1987 and Beyond," Credit Policy Conference, Radford, VA, April 1987.

CONSULTING ACTIVITIES

Equity Valuation and Portfolio Management Consulting

Equity valuation modeling and portfolio optimization.

Cost of Capital Analysis and Financial Damages Estimation Consulting

Expert witness consulting and testifying (especially for U.S. telecommunications firms), economic damages analysis, and valuation of private firms.

Investment Education Consulting

Trained investment professionals preparing for CFA examinations in the U.S., Europe, and Asia.

Selected Consulting Clients

Bell Atlantic

BellSouth Telecommunications

CFA Institute (formerly the Association for Investment Management and Research)

The Financial Analysts' Review of the United States

Howrey Simon Arnold & White, LLP

Institut Penembangan Analisis Finansial, Jakarta, Indonesia

LECG

Mubadala Development, Abu Dhabi, UAE

National Exchange Carrier Association (NECA)

Schweser Study Program (a Kaplan Professional Company)

Securities Analysts' Association, Bangkok, Thailand

Sprint

Union Bank of Switzerland and UBS AG, Zürich and Basel

United States Telecommunications Association

Virginia Retirement System, Internal Equity Management