

Kelly D. Welch, Ph.D., CFA

Curriculum Vitae

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Baldwin, Kansas 66006
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Education

Ph.D. Finance and Economics, 1999, Graduate School of Business, The University of Chicago
Dissertation: “Two Essays: 1. The Underpricing in Corporate Bonds at Issue;
2. From Debtors’ Prison to Bankruptcy: The Enforcement of Optimal Debt Contracts”
Dissertation Committee: Douglas W. Diamond (Chair), Raghuram Rajan, Luigi Zingales,
Milton Harris, Steven Kaplan, and Lars Stole

Honours B.A. Philosophy, Politics, and Economics, 1989, The University of Oxford

B.S. Economics (College of Arts and Sciences) and B.S. Agricultural Economics (College of
Agriculture), 1987, *summa cum laude*, Kansas State University

Distinctions

Chartered Financial Analyst
Center for Research in Security Prices Fellow, 1994-95
The University of Chicago Fellow, 1992-94
American Assembly of Collegiate Schools of Business National Fellow, 1991-92
Brasenose College Exhibition Honour, 1988
John Delehanty Economics Scholar, 1987
Rhodes Scholar, 1987

Experience

Finance Faculty

- The University of Kansas, Finance, Economics, and Decision Sciences, School of Business Teaching Fellow 2007-present, Assistant Professor 1997-2003
- The University of Southern California, Marshall School of Business, Department of Finance and Business Economics, Assistant Professor 1996-97
- Kansas State University, College of Business Administration, Department of Finance, Assistant Professor 1995-96

Experience (continued)

Investments Manager, Kauffman Foundation, 2003-2007

- Developed portfolio allocation strategies across asset classes
- Negotiated swap agreements and implemented cash equitization strategy
- Selected fund managers across equities, hedge funds, real estate, and commodities
- Monitored additional funds in fixed income, private equity, and energy partnerships
- Analyzed performance using quantitative techniques including loss probabilities

Independent Consultant, 2000-present

Advised clients on financial economics methods to:

- Quantify the adverse effects on portfolio valuations due to illiquidity, limited diversification, and incomplete rebalancing
- Design models to estimate the losses to investors when managers withhold relevant information and when underwriters charge excessive commissions
- Synthesize forward contracts using a portfolio of commodities futures
- Value the real options embedded in business capital investments using derivatives analysis and market prices
- Analyze target-date funds

Research and Teaching Assistant for Kent Daniel, Steven Kaplan, Raghuram Rajan and Luigi Zingales, Graduate School of Business, The University of Chicago, 1993-95.

Economic Research Associate, Federal Reserve Bank of Kansas City
Financial Markets and Institutions Group, 1992-93 summers
Regional Economics Group, 1987 summer and 1991

Research Analyst, Financial Services management consulting group, Strategic Planning Associates, Washington, DC, 1989-91

Subjects Taught

Business Valuation using Cash Flows, EVA[®], and Real Options

Business Finance

Capital Budgeting and Financial Management

Corporate Financial Policy

Financial Markets and Institutions

Financial Risk Management

Futures, Forwards, Swaps, and Options

Investment Theory and Analysis

Portfolio Strategy

Teaching Honors

Henry A. Bubb Award for Outstanding Teaching, School of Business, The University of Kansas: 2001, 2008, 2012

Professor of the Year, Alpha Kappa Psi Professional Business Fraternity: 2012

Outstanding Educator, Beta Gamma Sigma Honor Society, The University of Kansas: 2002, 2011, 2012

H.O.P.E (Honor for Outstanding Progressive Educator) Award, The University of Kansas: semi-finalist (2008), finalist (2009), nominee (2010)

MBA Outstanding Professor, Graduate Business Council, The University of Kansas: 2002, 2003

Center for Teaching Excellence Award, The University of Kansas: 2002

Professor of the Semester, Graduate Students Association, Kansas State University: Spring 1996

Research Papers, Presentations, and Publications

“The Underpricing in Corporate Bonds at Issue”

Finance and Accounting Workshop, University of Kansas, September 2001

Graduate School of Business seminar, University of Chicago, November 1999

“From Debtors’ Prison to Bankruptcy: The Enforcement of Optimal Debt Contracts”

Association of Financial Economists annual conference, Atlanta, January 2002

“Testing the Conditional CAPM,” with Mark Carhart, Robert Krail, and Ross Stevens
working paper

“The Institutional Ownership of Corporate Bonds”

working paper

“The Financial Perspective of the Cash Flow Statement”

working paper

“The Reaction of Stock Returns to the Discount Rate and Unexpected Money Supply Changes”

working paper

“Verification Costs, Debt Contracts, Financial Intermediation, and Equilibrium Pricing”

Finance and Accounting Workshop, University of Kansas, April 1995

“CD Maturity and Bank Risk”

Economic Research Seminar, Federal Reserve Bank of Kansas City, September 1993

“The Quiet Revolution in the U.S. Food Market,” with Alan Barkema and Mark Drabentstott

Economic Review, Federal Reserve Bank of Kansas City, May 1991

“The Changing Pattern of U.S. Trade: 1975-1985,” with J.A. Rosensweig and G. Lium

Economic Review, Federal Reserve Bank of Atlanta, October 1986

Invited Seminars and Discussions

“Investing Behaviors to Avoid”

The University of Kansas Mini College, June 2012

The Professional Edge series, KU Edwards Campus, May 2010

“Personal Finance and Investing”

KU Self Fellows, August 2010

Investor Panel Moderator, the Midwest Alternative Investments Conference, 2009

Professional Service

Board of Directors Member for Infegy, the provider of Social Radar

Investment Committee, Bert Nash Community Mental Health Center

Advisory Board Member for Investment Funds

Forum Asian Realty Income, L.P. II

Meadowbrook Real Estate Partners, L.P.

JP Morgan Incubator Fund, L.P.

Hedge Fund Investment Company, L.P. II

Reviewer for textbooks

Corporate Finance Online, Eakins and McNally

An Introduction to Derivative Securities, Financial Markets, and Risk Management,

Jarrow and Chatterjea

Principles of Corporate Finance, Brealey and Myers

District and State Selection Committees for the Rhodes Scholarship

Career Placement Committee, School of Business, The University of Kansas

Referee for the *Journal of Business*

Strengths

Business valuation modeling, emphasizing financial statement analysis

Applying quantitative methods in selecting stock portfolios

Bond pricing, especially underpricing of new issues and high yield bonds

Financial analysis using CRSP, Compustat®, and other databases

Analyzing hedge fund strategies, market trends, performance, and risks

Portfolio risk estimation, including volatility, market beta, loss probability, and Value at Risk

Portfolio construction and performance analysis

References available upon request