

JERRY D. MATHIS, PH.D., CPA

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Last Updated: September 2022

ACADEMIC EXPERIENCE

Washington University in St. Louis, Olin Business School

Postdoctoral Research Associate

July 2021 - Present

University of Michigan, Ross School of Business

Instructor

Fall 2017 & Summer 2020

EDUCATION

University of Michigan

Doctor of Philosophy, Accounting

Chair: Reuven Lehavy

2015 - 2021

Southern Methodist University

Master of Science, Business Analytics

Specialization in Business Process Analytics

2014 - 2015

University of Florida

Master of Accounting, Taxation

Bachelor of Science, Accounting

2009 - 2013

RESEARCH

Interests: Disclosure processing costs; Market microstructure; Managerial credibility; Political economy; Analyst forecasting; Financial accounting impacts of tax policy; Textual analysis

Working Papers

- [1] Do two wrongs make a right? Strategically forecasting EPS through inaccurate share forecasts (with Zachary Kaplan, Nathan Marshall, and Hanmeng Ivy Wang)
Incorporating review comments for submission in 2022
- [2] Unearthing Firm Value: The Effect of Mandatory Sustainability Disclosures on Firm Information Environments (solo-authored)
Incorporating reviewer comments for submission in 2022
- [3] Giving away the 'secret sauce': Evidence on the consequences of actively managed ETF portfolio disclosures (with Todd Gormley, Zachary Kaplan and Jeremy Michels)
Preparing for submission in early 2023
- [4] Selection Bias in Management Forecasting: Evidence from 8-K Filing Choices (solo-authored)
Currently revising previous draft

Works in Progress

- [1] When Harry Met SALY: The Effects of Earnings Persistence on Analysts' Information Processing (with Alyssa Hagerty and Reuven Lehavy)
Data analysis & hypothesis development stage
- [2] Inviting The Fox Into The Henhouse: The Effect of Corporate Representation in Government (with Mihir Mehta)
Data analysis & hypothesis development stage

- [3] Raising The Bar: The Consequences of Corporate Minimum Taxes (with Alyssa Hagerty)
Data analysis & hypothesis development stage
- [4] Now That You Mention It: Analyst Forecast Revisions and Firms' Macroeconomic Narratives
(with Lindsey Gallo)
Currently revising previous draft

Early Stage Projects

- [1] Revisiting the use of the discounted dividend model (with Zachary Kaplan)
Data analysis & hypothesis development stage
- [2] Do Political Connections Engender Reputational Costs? Evidence From Firm-sponsored Congressional Travel (with Alyssa Hagerty and Mailyn Fernandez)
Data analysis & hypothesis development stage
- [3] Social Tone Dispersion (with Mailyn Fernandez)
Data analysis stage
- [4] Just The Facts? Media Bias and Information Asymmetry (with Alyssa Hagerty)
Data collection stage
- [5] Do State Attorneys General Influence Firms' Misbehavior? (with John Kepler and Mihir Mehta)
Data collection stage
- [6] Comparability and Proprietary Costs (with Richard Frankel)
Data collection stage
- [7] Soft information production and telecommuting (with Hila Fogel-Yaari)
Data collection stage

TEACHING EXPERIENCE

Washington University in St. Louis

- | | |
|---|----------------------------|
| Intermediate Financial Accounting I (ACCT 3620, 1 BSBA section) | <i>Ongoing - Fall 2022</i> |
| Intermediate Financial Accounting II (ACCT 3610, 1 BSBA section) | <i>Ongoing - Fall 2022</i> |
| Financial Management (FIN 5203, 1 PMBA section, 39 students)
Median Rating: 9/10 from 35 respondents
Hybrid format core finance course | Summer 2022 |
| Federal Income Tax 1 (ACCT 467/567, 2 BSBA/MAcc sections, 34 students)
Median Rating: 10/10 from 33 respondents
Designed entirely new curriculum and course materials | Spring 2022 |
| Cost Analysis and Control (ACCT 363, 1 BSBA section, 16 students)
Median Rating: 10/10 from 15 respondents
Created entirely new case-based curriculum | Spring 2022 |

University of Michigan

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| Evaluating Financial Performance (ACC 557, 2 MM sections, 123 students)
Average Rating: 5.0/5.0 from 101 respondents (Dept. Avg. 4.6/5.0)
Courses held online (synchronously) due to COVID-19
Received the 2021 Neary Teaching Excellence Award for this course | Summer 2020 |
| Accounting Principles (ACC 471, 1 undergraduate section, 53 students)
Average Rating: 5.0/5.0 from 52 respondents (Dept. Avg. 4.7/5.0)
Received the 2018 Dykstra Award for Teaching Excellence for this course | Fall 2017 |

Other

Teaching Assistant, Financial Statement Analysis (EMBA 605) Not Rated, Instructor: Reuven Lehavy	2016 - 2021
Financial Accounting for Investment Banking (IB Workshop Series) Delivered targeted financial accounting lecture content for IB interview prep	Fall 2022
Certificate from Harvard Business Publishing Case Teaching Workshop	Spring 2022

CONFERENCE ATTENDANCE & PARTICIPATION

AAA Annual Meeting (Presenter/Discussant)	2022
ATA Midyear Meeting	2022
FARS Midyear Meeting	2022
Conference on Financial Economics and Accounting (in Program)	2021
AAA Annual Meeting	2021
FARS Midyear Meeting	2021
AAA Rookie Camp (Presenter)	2020
AAA Annual Meeting	2020
AAA Annual Meeting (Discussant)	2019
LBS Trans-Atlantic Doctoral Consortium (Presenter/Discussant)	2019
AAA Annual Meeting (Moderator)	2018
Wharton Theory Camp for Empiricists	2018
Southeastern Academy of Legal Studies in Business Annual Meeting	2017
UNC Doctoral Tax Seminar	2017
Dopuch (Wash U) Accounting Conference	2021-2022
Kapnick (Michigan) Accounting Spring Conference	2016-2020

GRANTS, HONORS AND AWARDS

FARS Excellence in Reviewing Award	2022
Nearby Teaching Excellence Award	2020
Gerald and Lillian Dykstra Award for Teaching Excellence	2018
Harry Jones Earnings Quality Grant (\$11,600)	2016
Paton Accounting Scholarship	2015 - 2021
Doctoral Fellowship, Ross School of Business	2015 - 2020

INDUSTRY EXPERIENCE AND CERTIFICATIONS

Accounting Editor, Gleim Publications	2011 - 2013 & 2014 - 2015
Tax Consultant, BDO USA	2013 - 2014
Tax Researcher, Martello Law Group	2011 - 2013
SAS Proficiency Certification	Earned 2015
Certified Public Accountant, Florida #AC46435	2013 - Present

REFERENCES

Reuven Lehavy
Full Professor
University of Michigan
rlehavy@umich.edu

Lindsey Gallo
Assistant Professor
University of Michigan
gallol@umich.edu

Zachary Kaplan
Assistant Professor
Washington Univ. in St. Louis
zrkaplan@wustl.edu

[1] **Unearthing Firm Value: The Effect of Mandatory Sustainability Disclosures on Firm Information Environments**

Abstract: Using Dodd-Frank’s conflict minerals disclosure mandate as a setting, I examine the information asymmetry and voluntary disclosure effects of mandatory sustainability disclosures. I find that firms’ conflict minerals disclosures, on average, resulted in decreased information asymmetry among investors and that this decrease was greatest for disclosures with more detailed information, better readability, and more publicized disclosures. By contrast, this decrease was mitigated for firms with greater institutional ownership but only for firms without previous supply-chain related sustainability concerns. These findings suggest that the decrease in information asymmetry arose from the overlap between the disclosure and the private information sets of sophisticated investors. I also find that managers respond to this decrease in information risk by reducing voluntary disclosure after the first mandatory filing. Together, these results demonstrate that mandatory sustainability disclosures change firms’ information environments and that managers may adapt to these changes by adjusting their voluntary disclosure behavior.

[2] **Do two wrongs make a right? Strategically forecasting EPS through inaccurate share forecasts (with Zachary Kaplan, Nathan Marshall and Ivy (Hanmeng) Wang)**

Abstract: Despite the importance of EPS forecasts as benchmarks, little is known about their denominator: shares outstanding forecasts. Because investing clients have limited demand for accurate share forecasts, we predict that analysts develop share forecasts strategically to facilitate EPS incentives. We divide earnings forecasts by EPS forecasts to infer analysts’ share forecasts and evaluate their properties. Analysts’ forecasts of shares outstanding are significantly less accurate than simple time-series models; however, these same forecasts actually improve EPS forecast accuracy. Additional analysis explains why: analysts use share forecasts to herd EPS toward the consensus. That is, share forecast errors often have the same sign as street earnings forecast errors, moving EPS closer to the consensus and to actual EPS, and significantly reducing EPS dispersion. Analysts also appear to use share forecasts to cater to management. Specifically, bias in share forecasts facilitates firms’ ability to meet or beat (“MB”) EPS benchmarks and is consistent with manager preferences (i.e., deflating EPS forecasts at short horizons and inflating at longer horizons). Much of the MB effect arises because analysts fail to incorporate predictable variation in shares outstanding, such as past repurchases. Interviews with sell-side analysts confirm that clients have limited demand for share forecasts, consistent with the inattention and strategic use of forecasts documented in our study.

[3] **Giving away the ‘secret sauce’: Evidence on the consequences of actively managed ETF portfolio disclosures (with Todd Gormley, Zachary Kaplan and Jeremy Michels)**

Abstract: Actively managed ETFs must disclose their portfolio positions daily. We examine the information these daily disclosures reveal to the broader market. First, we document that ETF managers build positions over time, similar to mutual funds, with past trades predicting future trades. Analyzing quarterly position disclosures and daily trades suggests that ETFs build positions more slowly than traditional mutual funds, potentially allowing other investors to profitably front-run the ETF’s trades. We find actively managed ETFs trade in the direction of future earnings surprises, a result that is stronger when we filter out liquidity trade, consistent with the trades incorporating private information about future earnings. We also find that actively managed ETFs speed the assimilation of information into price, consistent with daily disclosure of portfolio information improving price efficiency. Given that trades are serially correlated and predict earnings, we expect these portfolio disclosures can be used to predict future returns. Consistent with the potential for front-running, we find a trading strategy based on actively managed ETFs’ daily portfolio disclosures earns a return of approximately 0.3% per week.