

Special Report

Dormy Jim Henderson Debunks the CPA=PQ Claim

In his early-July-08 U.S. District Court deposition, associate professor of accounting, James "Jim" Henderson, debunked the claim that having a CPA license distinguishes an academic accountant as "Professionally Qualified." Henderson's points, presented below, are important, given that former interim CoB dean, Alvin Williams, [testified](#) in a U.S. District Court proceeding that former associate professor of accounting, Marvin Albin, was deemed "PQ" because he (Albin) had a CPA license.

The applicable text of Henderson's recent deposition is inserted below (Q=legal counsel's question; A=Henderson's response):

Q. And do you hold any professional licenses?

A. I passed the CPA exam, but I've never practiced. And I kept it current just by paying a fee. But I've never practiced with it.

Q. Okay. My understanding of the CPA certificate is that you have to have so many years of --

A. Normally you have so many years of experience or working with -- under someone --

Q. Right.

A. -- with that type experience or whatever. But I got the certificate because of the master's or whatever back in Memphis. At that point in time was able to get it but I never used it. I think if I was going to practice with it, then I would have to go back and do the continuing ed and a lot of things.

Q. Okay. So you're exempt from the continuing ed --

A. Right.

Q. -- the continuing ed requirements also?

A. Arkansas did not require me. You could have an inactive certificate or an active one.

Q. So you have an inactive CPA certificate from Arkansas?

A. That's right.

Q. And if I understand correctly, that means that you cannot go out today and practice in the field of certified public accountancy?

A. That's correct. I've never signed CPA after my name in my life.

Based on [Williams' testimony](#) about the relationship between having a CPA license and one's AACSB standing, and his (Williams') decision vis-à-vis the PQ status of Albin, Williams and the CoB could've classified Henderson as PQ back in February of 2007, just prior to the CoB's AACSB Peer Review Team's Maintenance of Accreditation visit. Henderson has, as he testified, a CPA license. However, had Williams et al. classified Henderson as PQ, they would have done so even though Henderson's CPA license, in its current form, could not even be used for professional purposes even if Henderson desired to use it for those purposes.

Sources indicate that Henderson's testimony forcefully refutes any idea that holding a CPA license establishes an academic accountant as PQ. The earlier U.S. District Court testimony of CoB accounting instructor, Patty Munn, did so as well. Munn, who was classified by the CoB as PQ by virtue of her CPA license, [told a federal court](#) that she has ". . . done some [accounting] work for people, but nothing major." The combined testimony of Henderson and Munn suggests that the CoB's approach to PQ, at least in accounting, was basically a game. Sources add, in conclusion, that the original stories from CoB AACSB leaders -- that the CoB's AACSB PRT was not going to accept the CPA=PQ argument -- seems more like the real story. . . at least up until the point where the CoB's accounting accreditation appeared to be in jeopardy, and the original stories had to be revised.