

**Faculty Senate Meeting**  
Tuesday, November 4, 2025, 3:30PM

**Senators Present:** Shawn Scott (COA), Matt Taylor (COA), Charles Bryant (COB), Angel Otero (COB), Tim Muth (COB), Ratan Jha (APSS), Marcus Hohlmann (APSS), Csaba Palotai (APSS), Melissa Borgen (BES), Mehmet Kaya (BES), Chris Bashur (CCE), Alan Brown (CCE), Nakin Suksawang (MCE), Tom Marcinkowski (MSE), William Arrasmith (MSE), Adam Prinkey (MSE), Spencer Fire (OEMS), Gary Zarillo (OEMS), Robert Weaver (OEMS), Anna Muenchrath (SAC), Yanek Mieczkowski (SAC), Robert Joel Deacon (SAC), David Wilder (SOBA), Amanda Thayer (SOP), Jessica Wildman (SOP), Marshall Jones (SOP), William Bowman (Library)

**Proxies:** None

**Senators Absent:** Adam Aboueid (COA), Madhur Tiwari (APSS), Siddhartha Bhattacharyya (EECS), Georgio Anagnostopoulos (EECS), Thomas Eskridge (EECS), Felix Delmonte (MCE), Chiradeep Sen (MCE), Wanfa Zhang (SAC)

**Other attendees:** John Nicklow (President), John Z. Kiss (Provost), Nasri Nesnas (CCE), Nancy Garmer (Library), Kaylee Erdos (Library), Jason Martin (Library), Hamid Najafi (MCE), Penny Vassar (COB), Gary Burns (SOP), Rian Mehta (COA), Suzanna Kozaitis (Library), Shibo Liu (MSE), Nick Daher (COB), Pallav Ray (OEMS), Rudi Wehmschulte (CCE), Eliza Healy (SAC), Ted Richardson (SOB), Kimberly Williams (CFO)

**Call to Order**

**Open Forum/Q&A with University Leadership**

President Nicklow

- State of the University address is scheduled for Friday, November 14<sup>th</sup> at 2pm.
- Homecoming was successful in engaging alumni.
- Thank you for participating in the Halloween party.
- The new residence hall is on schedule to be opened in August of 2026.
- The new pedestrian bridge across Babcock was approved at the most recent Board of Trustee's meeting. The problem is that it will be opened about six months after the residence hall, so suggestions about how to keep students safe while crossing Babcock in the meantime is welcome.
- Brandon May and Jared Campbell presented on AI at Florida Tech at the Board of Trustee's meeting.
- The Board also approved tuition and fees for next year. There are two new fees: orientation and graduation fee. Together, the fees are \$250 and are comparable with other universities.
- The university joined the Florida University Space Research Consortium, as well as the Quantum Consortium for the state of Florida.
- We are not yet seeing significant impacts from the federal government shutdown. There are some impacts in federal student aid, which is slowing down. Where we are seeing

impacts is in tuition assistance programs for students in the military. Florida Tech charges those students the same amount as the tuition assistance they receive from the government. For Fall 1 and Fall 2 terms, the tuition assistance has not been approved and will not be retroactively approved. They sent out a note saying that they hope to be able to cover the tuition assistance until all funds are exhausted, but it's not clear when that would be. The question is whether Florida Tech can cover some of the tuition so that the students don't drop out. All of the students at Patrick Space Force Base are on tuition assistance. The other area we are affected is the SNAP program. Many of our students use the SNAP program and may receive only partial payments. If you have students talk to you about this, you can direct them to the University's food pantry, which is fully stocked.

- New computer-buy-back program: if your computer is replaced by the university, but is still working, you can buy the old computer from the university at a deeply discounted price.

#### Provost Kiss

- We hired Dr. Amy Adamson in the role of Chief Research Officer. The faculty was engaged in giving feedback during this search.
- The COES Dean finalists will be on campus in December. There's strong national interest in the position with over 100 applicants.
- The COPLA Dean finalists will be on campus in January.

Question from Sen. Suksawang on the hiring of technical staff to support research. President Nicklow suggests taking this concern to the Dean.

Question from Sen. Mieczkowski requesting an update on the capital campaign. President Nicklow responds that we are in the silent phase of the campaign. It will be a seven-year, \$75 million campaign, aligned with FIT's 75th anniversary. President Nicklow is meeting with potential donors who may agree to contribute "lead gifts" and become part of the campaign cabinet, who can network to secure more contributions.

Question from Nasri Nesnas about the role of the trollies now that the pedestrian bridge is being built. President Nicklow responds that a shuttle system will still be useful, but we will soon need to sunset the trollies. Students will likely not wait for a shuttle to cross Babcock.

CFO, Kimberly Williams (note: a pdf of the slides is appended to these minutes)

- CFO Williams first discussed the FY26 budget compared the actual FY25 operating budget. Overall, the budgeted revenue is up 2% and the budgeted expenses are up 5%. A major change in the budget is considering labor attrition. When people leave, money is not spent. A labor attrition rate of 3% for faculty and staff was built into the FY26 budget.
- President Nicklow mentioned that the board requires us to have \$1 million surplus at the end of the year.
- Last year there was a significant amount of unspent money in the budget. CFO Williams encourages faculty to talk to department heads and deans to make sure our budgets are being spent.

- 60% of our operating expense goes to employee cost (salaries, the employer portion of fringe benefits, and payroll taxes). We increased our budget in all areas except for IDC (caused by federal factors) and interest (which is market-driven).
- Auxiliary revenue refers to dining, housing, and parking revenue.
- There was active discussion about where the \$5.9 million surplus from last year went. CFO Williams clarified that this is not a cash surplus, but a revenue surplus. The cash surplus is \$2 million, not \$6 million. The surplus goes into the equity of the institution at the end of every fiscal year. There are items on the operating budget that are non-cash assets or deficits (like operating expenses, which may include capital depreciation. Similarly, tuition revenue isn't all cash; some of it is receivables). This is why the cash surplus does not equal the budgeted surplus. Capital budgeting is separate from the operating budget. Capital purchases are funded by cash, not by debt. The budget resets each fiscal year, so the surplus does not carry over.
- CFO Williams then talked about the operating budget separated by funding source. There are three funds that resource the operating budget: the general operating fund (which is funded primarily by tuition and fees), the endowment fund, and the gift fund. Without the endowment and gifts, we would run a deficit every year. CFO Williams emphasized that the endowment and gift funds are available to us in Workday for everyone to see. A large portion of the unspent budget from last year was from the endowment fund. Gift agreements are attached to the endowments and gifts. President Nicklow agrees that we want to spend all of our budget and gift accounts.
- Sen. Marshall commented that this may be an issue of financial literacy, and that the faculty in general do not have the power to spend the budget. President Nicklow advised that we should ask our Deans and Department Heads for information and presentations on how our budget is spent annually. Sen. Hohlmann said that regular faculty do not have access to budget information. CFO Williams said that Chairs have access to the funds available within the college. Sen. Marcinkowski said that he served as program chair for several years and never received any information about these funds. CFO Williams said that all colleges are different in how they are set up, but with Workday the transparency is there. The Budget Office can also look up that information and tell us who has that information. Sen. Hohlmann suggested that the responsibility for informing faculty about unspent budgets should rest with the financial administration, not with the faculty itself. CFO Williams says that the colleges know what their budgets are and that the communication of how that budget is spent is the responsibility of the colleges.
- The endowment is at \$118 million, which is a \$6.2 million increase over the last six months, a 5.6% net growth. A question was asked about what happens to the unspent endowment, since that is cash. Is it rolled back into the endowment? CFO Williams said that we have an endowment spending policy that can be looked up in Workday. We draw 5% from the endowment every year, per the policy. Sen. Mieczkowski asked how Florida Tech's endowment compares to other private universities. President Nicklow said it is low, which is part of what the capital campaign will address. The expectation would be for it to be \$500 million or more. A question was asked about the make-up of the endowment. CFO Williams said it is a mix of assets including cash. We have an investment policy statement (which can probably be pulled up in Workday as well).

- The overall tuition trend is positive (up 3.3%). The grad ABA program is driving the growth. It is forecasting 27% growth over the budgeted amount. Our weak points are undergraduate tuition BISK & Risepoint, which is down 51% from the budgeted amount. Graduate BISK & Risepoint is down 35% from the budgeted amount. Undergrad tuition, which is the largest piece of net tuition revenue, is on target. There was a question about the decline in international students. This would be seen in the Grad Tuition Melbourne category. Although the chart only shows a 1% decline, this is from the *budgeted amount*. The budgeted amount is already significantly lower than last year's numbers in anticipation of pressures on enrollment. The actual forecasted decrease is 1% lower than that budgeted number and 20% lower than last year's number. Sen. Marshall asked about improving the relationship between faculty and Risepoint. President Nicklow said that he is in communication with key contacts about this issue, and CFO Williams mentioned that there are 20 new programs going online that will hopefully improve growth in this area.
- A goal is to get our cash on hand up. Ideally the university should have \$62.6 million dollars on hand in order to operate the university for 90 days. We started the year having \$37.8 million cash on hand. By the end of the year, we project to have \$39.7 million cash on hand.
- There's a series of Q&As that can be found at the end of the slides. Sen. Marcinkowski asked about making the use of gift cards in human subject research more streamlined. CFO Williams says there is a policy on gift cards. There was a question about how to balance the need for spending in fiscal year increments, when research often exceeds the parameters of the fiscal year. President Nicklow says that this will be part of the new Chief Research Officer Amy Adamson's job in figuring out which research incentives to retain. The question is whether we should create incentive accounts off of indirect costs (not operating budget), rather than some of the other programs (DGRATS, RSS, etc.). Operating accounts that don't operate on the fiscal cycle can lead to audit problems. This year there were no findings over all of our audits. We also had an unprecedented S&P bond rating increase (this is based on growth, stability, leadership.)
- Sen. Hohlmann mentioned that research also generates tuition. Some faculty include money in their grants for grad student tuition. He asks whether or not research will get credit for producing tuition money in addition to indirect costs. CFO Williams says that grant funding is not part of the operating budget or revenue. Provost Kiss says that, yes, the total grant amount counts as research expenditure. President Nicklow says this is an opportunity for the Research Council and the Senate to make recommendations about what research incentives we want. Sen. Jones asked if there could be different incentive options based on the needs of different researchers. President Nicklow answered yes, potentially. Sen. Brown suggested that research incentives could vary by college.

### **Approval of Minutes**

The minutes for the October 7, 2025 meeting were approved by unanimous consent with no corrections or amendments.

### **Reports**

President - Sen. Wildman: no report  
Committees

- Secretary - Sen. Muenchrath: We don't yet have a recording policy to share with the Senate, but hopefully it will be ready before our December meeting.
- Academic Policies - Sen. Jones: The Academic Policies Committee met with Academic Affairs and the conversation was about the recording policy. There was discussion about what this would look like as a syllabus policy, but also as an academic policy. Sen. Jones is looking for members for the committee. You can be on multiple committees, and you do not have to be a senator to be on a committee.
- Administrative Policies - Sen. Kaya: no update
- Faculty Excellence - Sen. Wilder: the committee is established. In recent years, winners have won \$2,500 to be used toward professional development. This year, winners will win \$3,000 to be used toward professional development.
- Scholarships - Sen. Brown: When the fall grades come in the committee asks the registrar for a list of freshmen with GPAs of 3.5 or higher. Then it asks the financial aid office who from this list is eligible for financial aid. Last year, this process produced a list of 70 students, who were contacted to fill out a one-page application. 18 did. The committee considered them and selected winners.
- TRI - Sen. Bowman: still seeking new members for the committee.
- Welfare - Sen. Arrasmith: would like another business faculty member for the committee. The committee has several issues it's pursuing including retirement accounts, sabbaticals, and sick leave.

### **New Business**

- There were no objections to tabling the motion to revise bylaws regarding April elections.

### **Open Forum/Discussion (4:40-4:55)**

#### Feedback/discussion of proposed COI form

- Issues brought by Sen. Taylor: what is generating the requirement for this form, since there are policies governing outside employment? Also, question 2a about employment outside of the college is too vague. Does this apply to people on 9-month contracts who take outside employment over the summers?
- Sen. Wildman, who is on the committee, said that there is a legal need to capture potential conflicts of interest. The form is not implying that anything recorded on it a conflict of interest. It is a disclosure form. The arbiter about what would be an issue is legal counsel. Sen. Jones added that the issue of 9-month employees did come up, and legal's position was that when we're off in the summer we are not under contract.
- Sen. Taylor then asked what appeal process is there. Sen. Wildman said that there would be no finding to be appealed, rather there would be a mitigation process to limit liability and promote compliance.
- Sen. Suksawang says that the expectations around 9-month faculty need to made clearer in the form. For example, how does this apply to tenured faculty, who aren't on contracts? This should be clarified.

- Sen. Marcinkowski asked about the difference between this form and the one in Cayuse. Sen. Wildman said this form would be in addition to that form. The Cayuse form is a form for federal funding that cannot be modified for Florida Tech's internal use. Sen. Marcinkowski asked what the difference is between employment and compensation for the purposes of the form. Sen. Wilder and Sen. Jones don't remember the committee's discussion and will bring this to them. Sen. Marcinkowski asked another question about the difference between financial interest and significant financial interest, which will also be brought to the committee.
- A form will be circulated to ask for more feedback, and this will remain an open item for the December agenda.
- Sen. Brown asked if people want to work on the question of how to allocate research incentives, which committee would they join? After some discussion there was a decision to discuss how we would like to tackle research incentives (in an ad hoc committee, with a liaison to the research council, etc.) in our next meeting.

### **Announcements/Reminders**

1. The south parking garage elevator has been repaired. A licensed contractor replaced the elevator's control boards and the system was thoroughly tested for approximately one hour with no operational issues observed. If anyone finds it not working again, please submit a facilities ticket ASAP: <https://www.fit.edu/facilities/>
2. The [Faculty Senate handbook](#) with all AY24-25 changes made is available on the Senate website. If there are any corrections or revisions needed, please bring those to our Administrative Policies Committee Chair, Dr. Mehmet Kaya, at [mkaya@fit.edu](mailto:mkaya@fit.edu).

### **Adjournment**

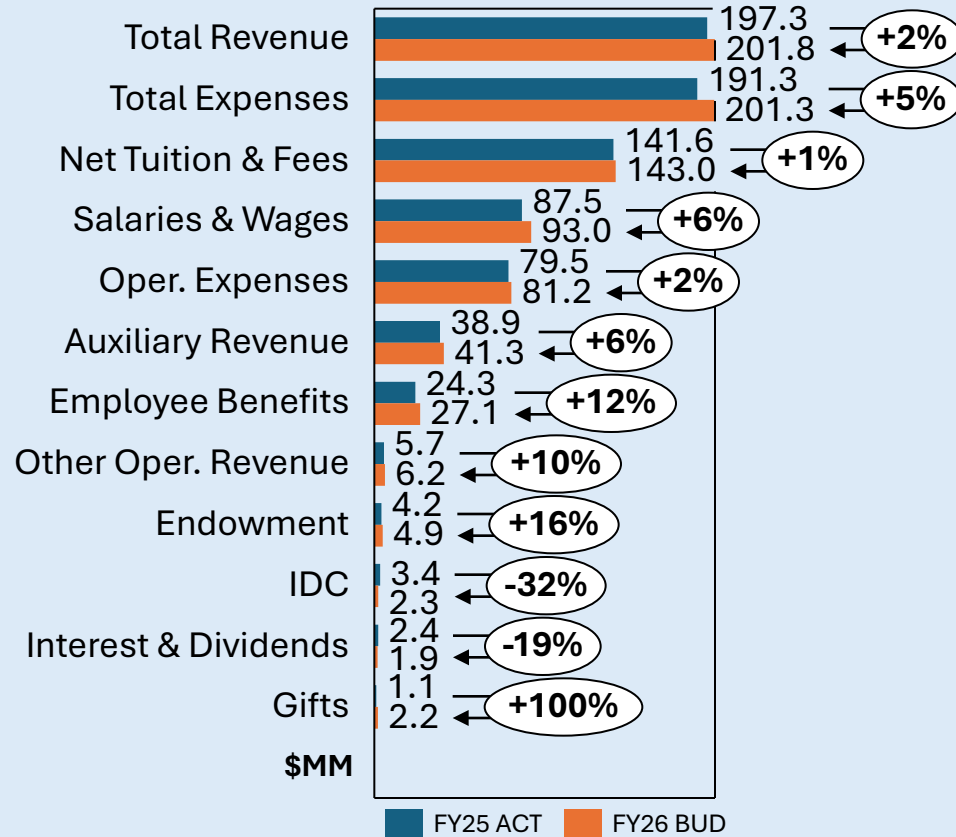


# Faculty Senate Update

Kimberly Williams, VP for Administration & Finance/CFO

# FY 2026 Operating Budget

## FY26 Budget to FY25 Actual Variances



### KEY FINANCIAL INSIGHTS

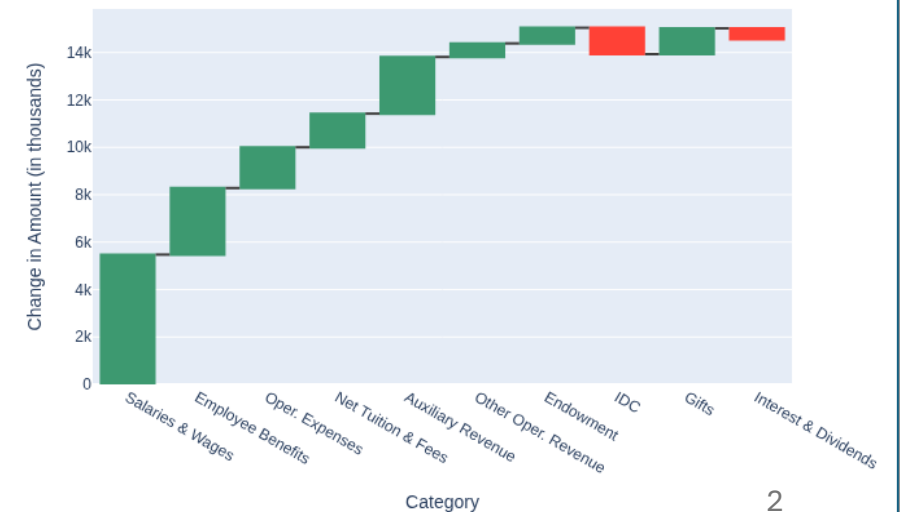
**Budget-to-Actual Increases:** Gifts doubled (+100%), Endowment (+16%), Other Op Rev (+10%), NTR (+1%), Other OpEx (+2%), and Salaries & Wages (+6%) & Employee Benefits (+12%), personnel costs remain major expense factor.

**Budget-to-Actual Decreases:** IDC dropped sharply (-32%) due to federal changes. Interest & Dividends fell (-19%), market-driven.

**Overall Impact:** Revenue growth (+2%) compared to expense growth (+5%), tightening margins, labor attrition, and reducing surplus.

OPERATING FUND		FY25 ACT	FY26 BUD
Revenue	Net Tuition & Fees	141,573	142,991
	Auxiliary Revenue	38,873	41,264
	Other Oper. Revenue	5,675	6,248
	Endowment	4,243	4,902
	IDC	3,425	2,312
	Gifts	1,090	2,180
Expenses	Interest & Dividends	2,398	1,930
	Total Revenue	197,277	201,827
	Salaries & Wages	87,513	92,987
	Employee Benefits	24,316	27,124
	Oper. Expenses	79,496	81,216
	Total Expenses	191,325	201,327
Total Operating Fund Surplus/(Deficit)		5,952	500

Change from FY25 Actual to FY26 Budget

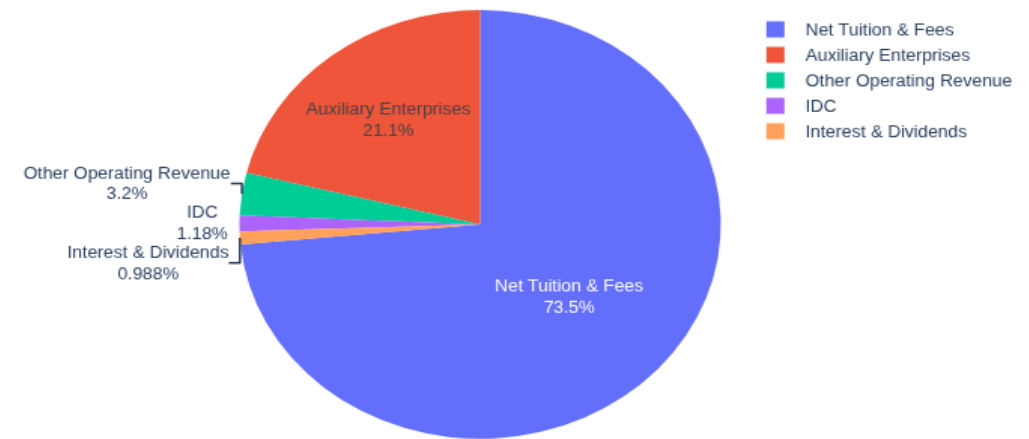


# FY 2026 Operating Budget by Funding Sources

Revenue Sources by Fund (FY26 Budget)



FD100 General Operating Fund Revenue Composition



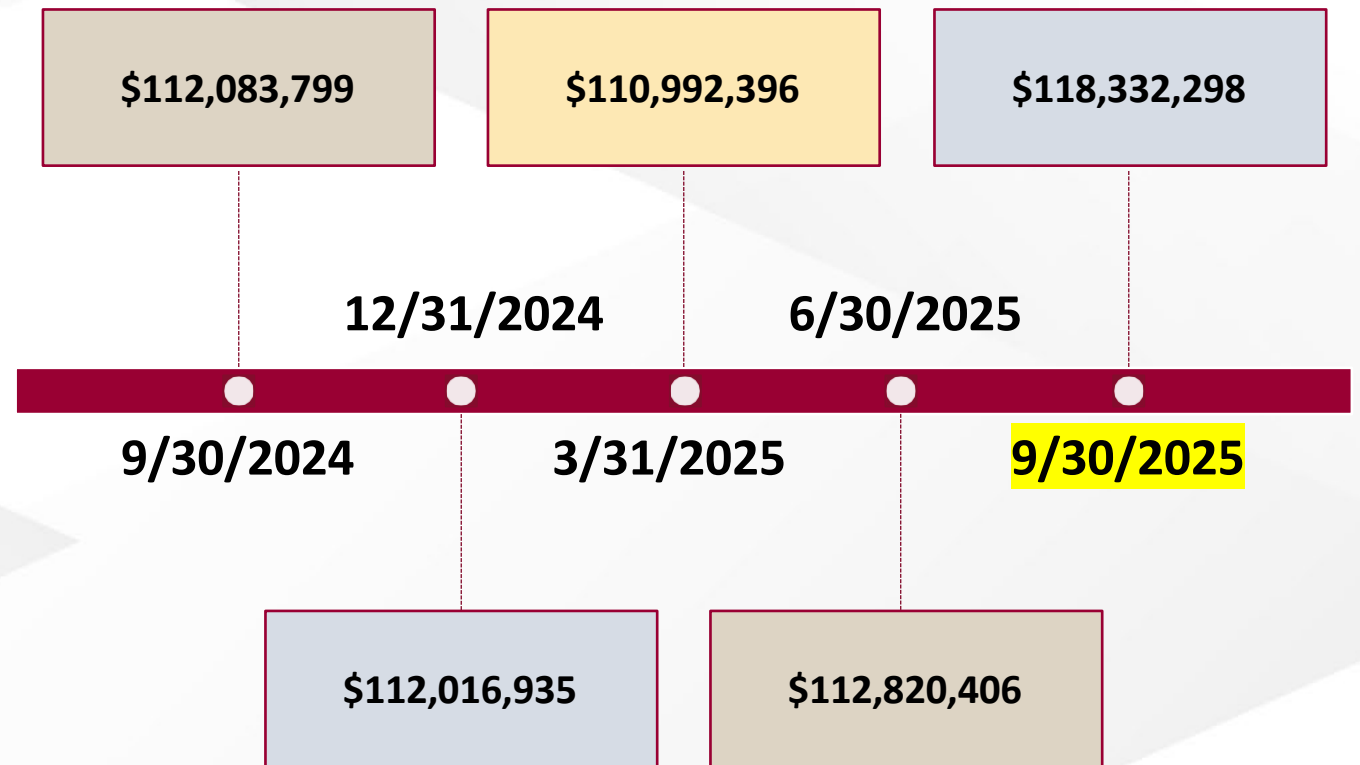
Fund	Revenue (\$K)	% of FY26 Budget
FD100 General Operating Fund	195,289	96.8%
FD606 Endowments Fund	4,358	2.16%
FD604 Gift Fund	2,180	1.08%

## KEY FINANCIAL INSIGHTS

- General Operating Fund is primarily funded by Net Tuition & Fees (73.5%) and Auxiliary Revenue (21%).
- Endowment and Gift funds are critical supplemental sources, covering deficits in FD100.

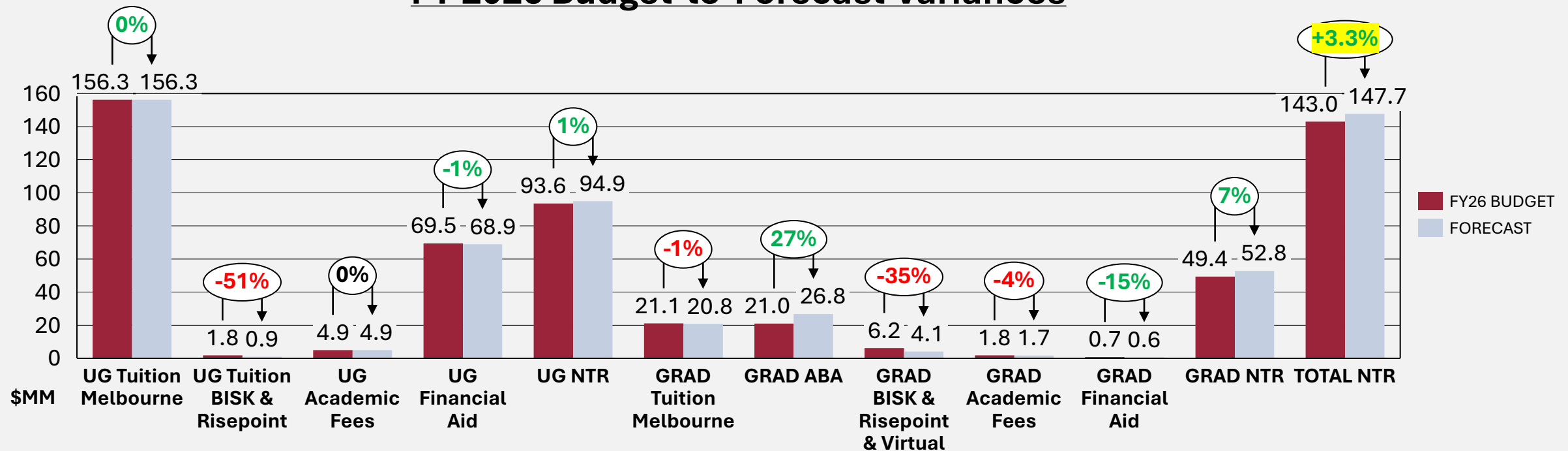
# Q1 Endowment Balance Update

- ❖ YOY Net Amount Increase +\$6.2MM
- ❖ YOY Net Percentage Change + 5.6%



# FY 2026 Net Tuition Revenue Update

## FY 2026 Budget-to-Forecast Variances



### KEY FINANCIAL INSIGHTS

- ✓ **Overall Positive Trend:** Total NTR forecast exceeds budget by **+3.3%**, driven by ABA programs.
- ✓ **Graduate ABA Program:** Major growth (+27%), strongest contributor to revenue.
- ✗ **Weak Spots:** UG BISK & Risepoint (-51%) and GRAD BISK & Virtual (-35%) show significant underperformance.
- ✓ **Financial Aid Efficiency:** Slight reductions in aid costs improving net revenue.

# University Cash Flow

## Minimum Cash Balance Formula: Determining Optimal Cash Levels

FY26 Starting Cash on Hand: \$37.8MM

FY26 Projected Ending Cash on Hand: \$39.7MM

FY26 Projected Net Cash Flow (CapEx Included): \$1.9MM

**Days Cash on Hand (DCOH)** is a widely used metric in higher education finance

**DCOH** = Operating (Unrestricted) Cash & Cash Equivalents ÷ Daily Operating Expenses

**Minimum Cash Balance = Average Daily Operating Expenses × Target DCOH**

➤ **Purpose of Minimum Cash Balance:**

- Cover short-term obligations (payroll, utilities, vendor payments)
- Provide a buffer for unexpected expenses or revenue shortfalls
- Preserve creditworthiness and financial stability

➤ **Florida Tech Calculations:**

- **Ave. Daily Operating Expenses (\$695,040) × Target DCOH (60 days) = \$41,702,409**
- **Ave. Daily Operating Expenses (\$695,040) × Target DCOH (90 days) = \$62,553,614**

➤ This means the university should ideally maintain at least **\$41.7MM** in unrestricted cash to cover 60 days of operation

➤ Aspirational Goal: **\$62.6MM** for 90 days



# Q & A's

- **Faculty Hires:** (1) Why have we not just reallocated retired faculty salaries to new hires? (2) Why no merit increases? (3) How is the number of faculty hires selected?
  - ✓ **Answer:** FIT has consistently provided merit and/or COLA increases in recent years, exceeding what would be saved from retired faculty salaries. Hiring high-quality faculty remains a top priority. Budget stayed relatively flat vs. last year despite rising costs. 14 positions were approved, prioritized by Provost with Dean input. Note: Low Student-to-Faculty ratio: 10:1. Commitment to attracting strong faculty continues.
- **Revenue and Expense Allocation:** How are revenue and expenses allocated to colleges?
  - ✓ **Answer:** Department heads submit budget requests annually, which are then prioritized by university leadership (Dean, Provost, CFO, and President) in alignment with the institution's mission and strategic goals.
- **Financial Health and Forecast:** What is the university's financial health and forecast for the next 5 years?
  - ✓ **Answer:** Financial health is stable for FY26 and expected to remain strong if enrollment targets are met.
- **Endowment Usage:** Simplify procedures for using endowments and clarify principal access.
  - ✓ **Answer:** Endowment policy updated in 2024 and posted online; budgets are available in Workday.
- **Research Funding and OSP:** Should tuition paid from research funds go to OSP for operations?
  - ✓ **Answer:** OSP research is net zero P&L for the university and funded by grants; managed by OSP.
- **Travel Budgets:** Faculty need easier access to travel funds; current allocation is about \$200 per faculty annually.
  - ✓ **Answer:** Travel budgets are allocated during the annual budget development with Deans and managed at the college level during the fiscal year; faculty should contact cost center managers.
- **Consulting v. RSS:** Why Hanover, Parker Search, etc. v. RSS funding?
  - ✓ **Answer:** Consulting costs were minimal and strategic, providing grant support to faculty, ensuring top leadership. RSS discontinued: Not best practice at research universities, Federal IDC rate drop (45% → 15%) made it unsustainable, Funds redirected to DGRATS (supports faculty & grad students). Additionally, we are transitioning to a merit-based system for increases to base pay.

## KEY THEMES:

- ❖ We are focused on ensuring financial stability, maintaining integrity, and driving sustainable growth.
- ❖ Enrollment goals remain essential to securing the institution's long-term financial health.
- ❖ The annual budgeting process is centralized, strategically aligned, and incorporates comprehensive input from all budget stakeholders.