

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1997

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file Number 0-10200

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

SEI Investments Capital Accumulation Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

SEI Investments Company
1 Freedom Valley Drive
Oaks, Pennsylvania 19456

SEI INVESTMENTS CAPITAL ACCUMULATION PLAN

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Plan Administrator of
SEI Investments
Capital Accumulation Plan:

We have audited the accompanying statements of net assets available for benefits of SEI Investments Capital Accumulation Plan (the "Plan") as of December 31, 1997 and 1996, and the related statement of changes in net assets available for benefits for the year ended December 31, 1997. These financial statements and the schedules referred to below are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1997 and 1996, and the changes in its net assets available for benefits for the year ended December 31, 1997 in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules listed in the accompanying index are presented for purposes of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The fund information in the statements of net assets available for benefits and the statement of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for benefits and changes in net assets available for benefits of each fund. The supplemental schedules and fund information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Philadelphia, Pa.,
June 5, 1998

SEI INVESTMENTS CAPITAL ACCUMULATION PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 1997

	Stable Asset Fund	Core Fixed Income Fund	Large Cap Value Fund	Core Interna- tional Fund	Small Cap Growth Fund	Large Cap Growth Fund	Diversified Moderate Growth Fund	Diversified Global Growth Fund
Investments	\$5,564,378	\$3,447,108	\$15,840,422	\$3,607,507	\$12,073,979	\$17,029,296	\$143,238	\$2,340,225
Cash and Short- Term Fund	606	375	1,724	393	1,314	1,854	16	265
Participant Loans	--	--	--	--	--	--	--	--
Employee and Employer Contributions Receivable	13,426	8,315	38,016	8,658	28,977	40,870	344	5,616
Interest Receivable	29,998	17,597	--	--	--	--	--	--
Net Assets Available For Benefits	<u>\$5,608,408</u>	<u>\$3,473,395</u>	<u>\$15,880,162</u>	<u>\$3,616,558</u>	<u>\$12,104,270</u>	<u>\$17,072,020</u>	<u>\$143,598</u>	<u>\$2,346,106</u>

	Diversified Global Stock Fund	Diversified Conservative Fund	Emerging Markets Equity Fund	SEI Investments Company Common Stock Fund	Participant Loans	Total
Investments	\$4,276,445	\$380,959	\$363,228	\$1,515,934	\$ --	\$66,582,719
Cash and Short- Term Fund	465	41	40	154	--	7,247
Participant Loans	--	--	--	--	846,067	846,067
Employee and Employer Contributions Receivable	10,263	914	872	3,639	--	159,910
Interest Receivable	--	--	--	--	--	47,595
Net Assets Available For Benefits	<u>\$4,287,173</u>	<u>\$381,914</u>	<u>\$364,140</u>	<u>\$1,519,727</u>	<u>\$846,067</u>	<u>\$67,643,538</u>

The accompanying notes are an integral part of this statement.

SEI INVESTMENTS CAPITAL ACCUMULATION PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 1996

	Stable Asset Fund	Core Fixed Income Fund	Large Cap Value Fund	Core Interna- tional Fund	Small Cap Growth Fund	Large Cap Growth Fund	Diversified Moderate Growth Fund	Diversified Global Growth Fund
Investments	\$5,944,371	\$3,088,457	\$11,355,493	\$4,111,927	\$11,002,836	\$11,611,527	\$ 9,724	\$1,425,624
Cash and Short- Term Fund	2,330	391	3,089	1,119	2,999	3,160	9	388
Participant Loans	--	--	--	--	--	--	--	--
Interest Receivable	29,766	--	--	--	--	--	--	--
Net Assets Available For Benefits	<u>\$5,976,467</u>	<u>\$3,088,848</u>	<u>\$11,358,582</u>	<u>\$4,113,046</u>	<u>\$11,005,835</u>	<u>\$11,614,687</u>	<u>\$ 9,733</u>	<u>\$1,426,012</u>
	Diversified Global Stock Fund	Diversified Conservative Fund	SEI Investments Company Common Stock Fund	Participant Loans	Total			
Investments	\$3,075,452	\$314,794	\$409,400	\$ --	\$52,349,605			
Cash and Short- Term Fund	836	86	154	--	14,561			
Participant Loans	--	--	--	700,801	700,801			
Interest Receivable	--	--	--	--	29,766			
Net Assets Available For Benefits	<u>\$3,076,288</u>	<u>\$314,880</u>	<u>\$409,554</u>	<u>\$700,801</u>	<u>\$53,094,733</u>			

The accompanying notes are an integral part of this statement.

SEI INVESTMENTS CAPITAL ACCUMULATION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 1997

	Stable Asset Fund	Core Fixed Income Fund	Large Cap Value Fund	Core International Fund	Small Cap Growth Fund	Large Cap Growth Fund	Diversified Moderate Growth Fund
Employee Contributions	\$ 240,154	\$ 242,211	\$ 987,904	\$ 418,055	\$ 1,069,861	\$ 1,107,661	\$ 97,260
Employer Contributions	70,388	69,185	280,952	139,822	314,032	302,787	6,344
Net Realized/Unrealized Gain (Loss)	(31,559)	84,176	2,701,425	(180,112)	399,268	3,388,512	8,139
Dividend and Interest Income	388,667	223,815	1,529,240	231,040	457,610	852,300	2,059
Interfund Transfers - Net	(246,484)	(135,187)	(270,808)	(696,448)	(544,863)	403,200	40,165
Distributions to Participants	(789,225)	(99,653)	(707,133)	(408,845)	(597,473)	(597,127)	(20,102)
Net Increase/(Decrease)	(368,059)	384,547	4,521,580	(496,488)	1,098,435	5,457,333	133,865
Net Assets Available For Benefits, January 1, 1997	5,976,467	3,088,848	11,358,582	4,113,046	11,005,835	11,614,687	9,733
Net Assets Available for Benefits, December 31, 1997	\$5,608,408	\$3,473,395	\$15,880,162	\$3,616,558	\$12,104,270	\$17,072,020	\$ 143,598

	Diversified Global Growth Fund	Diversified Global Stock Fund	Diversified Conservative Fund	Emerging Markets Equity Fund	SEI Investments Company Common Stock Fund	Participant Loans	Total
Employee Contributions	\$ 293,631	\$ 485,583	\$ 22,924	\$ 66,756	\$ 3,048	\$ --	\$ 5,035,048
Employer Contributions	84,983	162,568	4,211	19,150	1,181	--	1,455,603
Net Realized/Unrealized Gain (Loss)	239,755	658,540	28,794	(61,547)	365,850	--	7,601,241
Dividend and Interest Income	96,790	69,043	14,816	1,527	7,404	--	3,874,311
Interfund Transfers - Net	232,682	(101,742)	(3,303)	394,730	745,000	183,058	--
Distributions to Participants	(27,747)	(63,107)	(408)	(56,476)	(12,310)	(37,792)	(3,417,398)
Net Increase/(Decrease)	920,094	1,210,885	67,034	364,140	1,110,173	145,266	14,548,805
Net Assets Available For Benefits, January 1, 1997	1,426,012	3,076,288	314,880	--	409,554	700,801	53,094,733
Net Assets Available for Benefits, December 31, 1997	\$2,346,106	\$4,287,173	\$ 381,914	\$364,140	\$1,519,727	\$ 846,067	\$67,643,538

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

1. PLAN DESCRIPTION:

The following description of the SEI Investments Capital Accumulation Plan (the "Plan"), formerly SEI Corporation Capital Accumulation Plan, provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions. The Plan's sponsor is SEI Investments Company ("SEI" or the "Company").

Effective January 1, 1983, the Board of Directors of the Company established the Savings and Investment Plan ("SIP"), a contributory defined contribution plan.

Effective January 1, 1988, the SEI Corporation Tax Credit Employee Stock Ownership Plan ("ESOP") transferred its assets to SIP, and SIP was renamed the SEI Corporation Capital Accumulation Plan. All ESOP participants are fully vested. These transferred assets will be distributed in a lump sum to participants or their beneficiaries upon termination of employment, retirement, death, or total disability. There will be no other activity related to these assets.

Effective April 1, 1993, the ESOP was eliminated. ESOP participants were required to direct their balances to the other investment options or to take distributions. ESOP participants remained fully vested in these amounts.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan provides retirement benefits, including provisions for early retirement and disability benefits, as well as a tax-deferred savings feature. An employee may enroll in the Plan on the first day of the payroll period in the month following their date of employment. A participant may make tax-deferred contributions to the Plan up to the lesser of 15 percent of compensation or \$9,500 for the calendar year 1997, which are deposited into a "deferral account."

All Company contributions are discretionary and will be made out of available profits. The Company's matching contribution may not exceed four percent of the participant's annual compensation or \$3,840, whichever is lower, and will be credited to the participant's matching contribution account. In addition, the Company may make a contribution to all participants which will be allocated among eligible participants in the same proportion that each participant's compensation bears to the aggregate compensation of all participants. These contributions will be credited to the participant's profit-sharing account.

Participants are eligible to receive Company contributions at the point when the participant is eligible to contribute to the Plan. The Company's matching contributions to the Plan were \$1,455,603 and \$1,344,992 for 1997 and 1996, respectively. The Company made no other discretionary contributions during 1997 and 1996.

As of December 31, 1997, contributions may be invested in the following investment options: a Stable Asset Fund, a Core Fixed Income Fund, a Large Cap Value Fund, a Core International Fund, a Small Cap Growth Fund, a Large Cap Growth Fund, a Diversified Moderate Growth Fund, a Diversified Global Growth Fund, a Diversified Global Stock Fund, a Diversified Conservative Fund, an Emerging Markets Equity Fund and a SEI Investments Company Common Stock Fund. All funds in the Plan are sponsored by the Company.

A description of each investment option is provided below:

Stable Asset Fund--This fund is designed to maintain the value of the money contributed to the Plan and earn interest. The fund invests mostly in Guaranteed Investment Contracts purchased from insurance companies and other financial institutions which are either highly rated (AAA or AA) or guaranteed by the U.S. Government or its agencies. This fund's contract value approximates fair value.

Core Fixed Income Fund--This fund invests in governmental and corporate bonds and is structured to earn income without significant price improvement.

Large Cap Value Fund--This fund is structured to invest in equity securities of large companies. This fund invests in the stocks of companies whose prices appear low relative to certain fundamental characteristics such as earnings, book value, or return on equity. The value of the fund will rise and fall based on these companies' performance.

Core International Fund--This fund purchases equity securities in companies outside of the United States. A majority of these investments are made in European and Asian companies that have a long-term potential for growth.

Small Cap Growth Fund--This fund invests in equity securities of small companies. The object of this fund is to allow the investment to grow as the companies grow.

Large Cap Growth Fund--This fund invests in equity securities of large companies. The object of this fund is to allow the investment to grow as the companies grow.

Diversified Moderate Growth Fund--This fund seeks to provide long-term capital appreciation with a limited level of current income through investments in equity and fixed-income funds, including non-U.S. Equity funds.

Diversified Global Growth Fund--This fund invests primarily in other equity funds. The object of this fund is to provide long-term capital appreciation through participation in both U.S. and international equity markets.

Diversified Global Stock Fund--This fund's object is to provide long-term capital appreciation through participation in the global equity markets. The fund achieves this goal primarily through investment in both U.S. and non-U.S. equities.

Diversified Conservative Fund--This fund invests primarily in money market and fixed income funds to provide current income with the opportunity for capital appreciation.

Emerging Markets Equity Fund--This fund seeks to provide capital appreciation by investing primarily in a diversified portfolio of equity securities of emerging market issuers.

SEI Investments Company Common Stock Fund--This fund seeks long-term growth by investing primarily in shares of the Company's Common Stock.

Participants are immediately vested in their voluntary contributions to the Plan. Participants obtain a non-forfeitable right of ownership in all employer contributions credited to their accounts at the time of contribution.

Amounts in participants' accounts will be distributed in the form of an annuity, lump sum amount, or a combination thereof to participants or their beneficiaries upon termination of employment, retirement, death, or total disability. Employee contributions in a participant's deferral account may be withdrawn during employment after the employee reaches age 59 1/2 or upon showing immediate and substantial financial hardship. The post-tax feature provides for employee contributions in a participant's savings account to be eligible for withdrawals at any time.

Under the tax-deferral feature, after two years of participation in the Plan, a participant is eligible for a loan amount not to exceed the lesser of \$50,000 or 50% of his salary deferred account balance; the minimum loan amount is \$1,000. The loans are made at a rate equivalent to those being charged on similar commercial loans with terms from one year to five years, except for loans for the purchase of a primary residence, which can have terms of up to 10 years. Participants may only borrow against their accounts if they have been making tax-deferred contributions for at least 24 months.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The accompanying financial statements are prepared using the accrual basis of accounting.

Income Taxes

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The Plan is qualified pursuant to Section 401(a) of the Internal Revenue Code (the "Code") and accordingly the trust is exempt from income taxation under the provisions of Section 501(a) of the Code. In October of 1995, the Plan received a favorable determination letter from the IRS. This signifies that the Plan meets the Code requirements for design. Management believes the Plan is designed and operating in compliance with the Code and accordingly, there is no provision for income taxes in the accompanying financial statements.

Valuation of Investments

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The Plan's investments are stated at market value in the accompanying financial statements.

Management's Use of Estimates

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The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan's management to make estimates and assumptions that affect the reported amounts of the net assets available for benefits and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

3. INVESTMENTS:

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Effective April 1, 1993, the Plan terminated its investment relationship with CIGNA Corporation and Sanford C. Bernstein & Co., Inc. and added the following SEI sponsored money market and mutual funds: Stable Asset Fund, Intermediate Taxable Bond Fund, Equity Value Fund, International Equity Fund and Small Cap Growth Fund.

Effective April 1, 1993, the Plan terminated the trustee and recordkeeping relationship with Boatmen's Trust Company and transferred the trustee function to SEI Trust Company and the recordkeeping function to SEI Investments Management Company ("SIMC"), both of which are wholly owned subsidiaries of SEI.

Effective December 1995, the Plan added the following mutual funds sponsored by the Company: Small Cap Value Fund and Large Cap Growth Fund. During 1995, the names of several funds were changed. The Equity Value Fund was changed to the Large Cap Value Fund; the Intermediate Taxable Bond Fund was changed to the Core Fixed Income Fund; the International Equity Fund was changed the Core International Fund.

In May 1995, the Company entered into an agreement with KPMG Peat Marwick ("KPMG") to assume its full-service recordkeeping operations. As a result of the agreement, the Plan's recordkeeping function was transferred from SIMC to KPMG as of November 1995.

During 1996, the Plan closed the Equity Income Fund, the Capital Appreciation Fund and the Small Cap Value Fund to investments by Plan participants and Plan participants were required to transfer the funds to other investments under the Plan. In 1996, the Plan opened the following funds to participant investment: the Diversified Moderate Growth Fund, the Diversified Global Growth Fund, the Diversified Global Stock Fund and the Diversified Conservative Fund.

In December 1997, the Company filed a registration statement on Form S-8 with the Securities and Exchange Commission to register 1,000,000 shares of the Company's Common stock to be offered or sold as an investment option of the Plan. Additionally, during 1997, the Plan opened the Emerging Markets Equity Fund to participant investment.

The fair market values of individual assets that represent 5% or more of the Plan's net assets available for benefits as of December 31, 1997 and 1996 are as follows:

1997:

Stable Asset Fund	\$ 5,564,378
Core Fixed Income Fund	3,447,108
Large Cap Value Fund	15,840,422
Core International Fund	3,607,507
Small Cap Growth Fund	12,073,979
Large Cap Growth Fund	17,029,296
Diversified Global Stock Fund	4,276,445

1996:

Stable Asset Fund	\$ 5,944,371
Core Fixed Income Fund	3,088,457
Large Cap Value Fund	11,355,493
Core International Fund	4,111,927
Small Cap Growth Fund	11,002,836
Large Cap Growth Fund	11,611,527
Diversified Global Stock Fund	3,075,452

4. PLAN EXPENSES:

All normal administrative costs of the Plan are paid by the Company.

5. PLAN TERMINATION:

Although it has no expressed intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

In the event of whole or partial termination of the Plan, or complete discontinuance of employer contributions, each participant shall receive a total distribution of their account.

6. DISTRIBUTIONS TO PARTICIPANTS:

Distributions to terminated participants are generally made in the year following termination. Distributions payable to participants at December 31, 1997 and 1996 amounted to \$373,661 and \$282,930, respectively.

7. RECONCILIATION TO FORM 5500:

Distributions payable to participants are recorded as a liability in the Plan's Form 5500 and not recorded as a liability in the accompanying statements of net assets available for benefits in accordance with generally accepted accounting principles.

The following table reconciles net assets available for benefits per the financial statements to the Form 5500 as filed by the Company.

	1997 Accrued	1997 Benefits	Net Assets Available for Benefits December 31	
	Distributions	Paid	1997	1996
	-----	-----	-----	-----
Per financial statements	\$ --	\$3,417,398	\$67,643,538	\$53,094,733
Accrued distributions	373,661	373,661	(373,661)	(282,930)
Reversal of 1996 accrual for distributions	--	(282,930)	--	--
Per Form 5500	=====	=====	=====	=====

SCHEDULE I

SEI INVESTMENTS CAPITAL ACCUMULATION PLAN

 EIN #23-1707341

PIN #002

ITEM 27(a)--SCHEDULE OF ASSETS HELD

 FOR INVESTMENT PURPOSES

 DECEMBER 31, 1997

No. of Shares	Description	Cost	Current Value
5,564,378	SEI* Stable Asset Fund	\$ 5,564,378	\$ 5,564,378
328,333	SEI* Institutional Managed Trust--Core Fixed Income Fund	3,363,561	3,447,108
865,597	SEI* Institutional Managed Trust--Large Cap Value Fund	12,864,544	15,840,422
386,657	SEI* International Trust--Core International Fund	3,841,582	3,607,507
726,473	SEI* Institutional Managed Trust--Small Cap Growth Fund	12,089,873	12,073,979
867,072	SEI* Institutional Managed Trust--Large Cap Growth Fund	14,048,137	17,029,296
12,327	SEI* Asset Allocation Trust--Diversified Moderate Growth Fund	141,339	143,238
188,272	SEI* Asset Allocation Trust--Diversified Global Growth Fund	2,137,716	2,340,225
360,348	SEI* Asset Allocation Trust--Diversified Global Stock Fund	3,683,380	4,276,445
35,504	SEI* Asset Allocation Trust--Diversified Conservative Fund	351,729	380,959
35,061	SEI* Institutional International Trust--Emerging Markets Equity Fund	404,727	363,228
39,894	SEI* Investments Company Common Stock Fund	817,509	1,515,934
7,247	Cash and Short-Term Fund	7,247	7,247
N/A	Participant Loans (Interest rates range from 8.0% - 11.5%)	846,067	846,067
	Total	=====	=====
		\$60,161,789	\$67,436,033

* Represents a party-in-interest

SCHEDULE II

SEI INVESTMENTS CAPITAL ACCUMULATION PLAN

EIN #23-1707341

PIN #002

ITEM 27(d)--SCHEDULE OF REPORTABLE TRANSACTIONS

FOR THE YEAR ENDED DECEMBER 31, 1997

Description of Assets or Security	Number of Purchases	Number of Sales	Purchase Price	Sale Proceeds	Cost Basis	Gain (Loss) on Sale
Series						
SEI* Stable Asset Fund	101	112	\$3,495,577	\$3,663,133	\$3,663,133	\$ --
SEI* Institutional Managed Trust--Large Cap Value Fund	118	141	3,040,762	1,643,072	1,520,183	122,889
SEI* Institutional Managed Trust--Small Cap Growth Fund	104	138	2,803,209	2,137,039	2,197,476	(60,437)
SEI* Institutional Managed Trust--Large Cap Growth Fund	130	141	3,682,425	1,654,949	1,403,080	251,869
SEI* Institutional International Trust--Emerging Markets Equity Fund	72	135	1,466,478	1,872,133	1,869,442	2,691

The purchase prices and selling prices of the above transactions represent the current value of the assets on the transaction date.

* Represents a party-in-interest

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

To SEI Investments Company:

As independent public accountants, we hereby consent to the incorporation of our report included in this Form 11-K into SEI Investments Company's previously filed Form S-8 Registration Statement File No. 333-41343.

ARTHUR ANDERSEN LLP

Philadelphia, Pa.,
June 26, 1998