

Minutes of SEI meeting, 6 Feb 2021

Meeting convened at 10:29am, 6 Feb 2021, Dick Gilligan, presiding.

Present: Sue Bryant, Karen Burke, Dick Gilligan, Laura Junor, Francis Park, Jay Parker, Rebecca Patterson, Mark Troutman, Sandy Troutman

Agenda Items:

1. This board meeting is an update, anticipate no issues requiring approval at this time. This has been a hard year, but we are still in good shape.
2. Classes taught and Upcoming
 - a. Strategic Communications Class w/USASOC, 11-13 July 2020.
 - (1) USASOC students refused to turn their cameras on, so 4 days of lecture to blank screens. Half day versus whole day was a prudent choice.
 - (2) After this class, we felt pretty confident at our ability to run a high quality seminar. Reviews were good.
 - (3) Contract is an IDIQ- which is still open, but there is no movement on further classes. While it was never a big money maker, the curriculum is in the can and it is easy to run.
 - (4) Compliance requirements forced us to get all certificates (to include NIST 171 compliance) for DoD teaching online—which is useful. DoD Teams doesn't offer the same capabilities as some of the other options we normally use.
 - (5) Noted militant Trumpism fake-news trend in about 15% of students. One student refused to write a summary against two articles from WP and WSJ. Possible followup with DoD for its ongoing efforts to counter extremism in the force.
 - b. Strategy Essentials – Sep 2020 (virtual)
 - (1) Wanted G-3/5/7 to run this over 4 week rather than 2 weeks...but they wanted 2 weeks only. About 20 students worldwide, funded by end of FY money.
 - (a) Yet another student who was more Trumpist and believes conspiracy theories and freely self-identified as such.
 - (b) Pacific-based students were unhappy about time zone difference. They still signed up for it, though.
 - (2) G-3/5 no longer has proponency for CP60. It now belongs at Fort Belvoir with a larger grouping of civilian personnel, and all of the training and education dollars have greatly reduced. CP60 has 25k total for FY21- down from 350k. (FYI-that ~\$25 per person for education.)

(3) Considerably more expansive than last program—involved some guest speakers and the certifications required for DoD (to include Cyber Maturity Model) are a good investment.

c. Empathy Course through Fairfax University of America (FXUA)

(1) This did not sell - combination between pandemic and difficulty in quantifying ROI. We have gone back to the drawing board.

(2) Currently working with LTG (Ret) Dubik to repackage as a “strategic reboot” for law enforcement using the Army’s experiences of the 1970s - 1980s as a model. How do you operationalize DOTMLPF for LE—especially in such a disparate thing as US law enforcement?

(3) Dubik is bringing in his friend, LTG (ret) Russel Honoré to open doors with law enforcement. This has become “really interesting” given his involvement in Capitol assault investigation. More to follow.

(4) Our POC at FXUA, Brad Dawson, has extensive connections in Commonwealth of VA law enforcement. There are centralized police academies, but most municipalities don’t have their own police academies. If we start with larger municipal hubs it may be a way to reach smaller police departments depending on whether they send their people to the larger police academies.

(5) When this idea is matured, this may be worth selling to the FBI Law Academy as they do outreach to local LE organizations. FBI does bring in local LE to Quantico for in-services.

3. Other Opportunities

a. Update on *Resourcing National Security*

(1) Drs. Junor and Patterson have both been part of the process. Was originally due 1 Jan- but awaiting some chapter authors’ late submissions, which arrived 31 Jan.

(2) We are looking to be complete 31 March 2021; a previous book to Cambria took only 100 days; anticipated publication date is 1 June 2021, estimated size 65K words.

(3) Editing now for content and clarity; the whole process has been a big learning process. Getting a coherent theme and style across 13 different authors was a challenge. We probably learned more than the authors.

b. War Paths/NATO/DTRA BAA

(1) Arnel David and the UK MINDEF (!) has started “Fight Club,” an initiative to do online unclassified multiplayer games to inform concept development.

(2) We were asked if we could put together a strategic level wargame for the UK MOD and have *War Paths* from Dr Tom Nagle.

(3) We have brought in Mike Linick and his team to conduct *Hedgemony* for in-person classes. We asked him whether he might be willing to adapt it for online use, but didn't have the bandwidth or desire to virtualize it; *War Plans*, based on a wargame developed by Arnel and John DeRosa, was Tom Nagle's attempt to do a similar game for virtualized audiences and provides a good "thought-generating device" for the students. It has done well in initial playtesting, and is maturing. UK MOD provided £10,000 GBP as a startup but the process is byzantine.

c. Lockheed Martin Advanced Negotiation Program through UMD

(1) This was not a SEI event *per se*, but this is a good proof of concept done by SEI people (Sue, Mark) under other imprimatur (in this case UMD School of Public Policy through someone who had previously been at NRO and knew Mark).

(2) Strategic Approach: Win the negotiation in the opening phases... Understand what the client wants and structure the contract requirements so you are the most competitive bidder...

(a) Three-day curriculum: foundational concepts and skills, evaluating and preparing proposals, and delivering and negotiating, with exercise and special topics to support themes above.

(3) 52 students, mostly mid-level individuals in their workforce who had been hired from other sectors for their contracting expertise and were not familiar with DoD strategy, contracting, and interactions with Congress.

(4) Dr. Burke mentioned what she sees in her own professional work that more junior workers also have challenges being familiar with government functions—even in companies that routinely do business with the USG.

(5) We got an excellent proof of concept for a 3-day workshop for companies that look like that, and this was our first foray into the commercial world.

d. Lockheed Martin got back to us and a followup conversation is likely in mid-Feb and possibly another engagement with them (and maybe others).

4. Rebranding- Aquilos

a. Previewed new website proposal and 3-second bumper for new Aquilos identity.

b. Many of the conferences and venues where we would normally sell ourselves have stopped and most companies are just trying to survive.

c. Much of the impetus to rename has gone away, but it shouldn't stop us from presenting as such.

d. Formally rebranding and retitling will cost us \$5-6K in legal fees, so we have held off on a formal rebranding.

5. Budget Report, PPP Loans Form 990 Submission – Dr Mark Troutman

a. Even if we don't bring in new revenue this year, we are solvent through November 2021. Of course, we will conduct more business.

b. It appears we will not do Strategy Essentials Seminars for a while, so we are pivoting.

c. Turning over WeWork leased space in Rosslyn allowed us some return of capital. It wasn't really available to us as a useful working space given some COVID-19 scares.

d. Computer/IT support required us to buy Microsoft Office365 and Zoom subscriptions, as well as compliance efforts.

e. The professional development costs were Intercultural Development Inventory certification for Sue, Sandy, and Karen to deliver empathy certificate instruction.

f. Tuition for students reduced from \$9K from inperson since the Strategy Essentials course is much cheaper to run online, since faculty is our one constant expense versus overhead costs for facilities and events.

g. Our IRS 990 is due to the IRS in late May and should be ready in a few weeks.

h. SEI Received approval (2/2/21) and deposit (2/4/21) of Paycheck Protection Program Loan of \$19,500.00. Amount was computed from 2.5x monthly payroll.

(1) First loan was in April 2020, potential payback likely October 2021 unless it is forgiven by the Small Business Administration.

(2) Given our size of enterprise, we are very small and dead center of demographic for PPP loans. Tentatively expecting that second loan to also be forgiven.

(3) Given current SBA trends, figures under \$50K are likely to be forgiven. Larger companies that received much larger PPP loans are likely going to have to pay back, but small companies (of SEI's size) are

6. The Intercultural Development Inventory certification opens some other opportunities to work education in emerging intercultural expertise in other venues.

7. Because we're a 501(c)3, our legal firm, Geller Law Group, writes off much of our legal expenses as a charitable contribution. That explains our very low legal costs right now.

Other topics

1. We were very fast relative to other places that were willing to shift to online delivery of courseware, so we were well-positioned in ways that other companies were not.

2. As the DoD Cyber Maturity Model is implemented, it will inadvertently exclude many small companies from competing unless they invest early on like we did. Microsoft is allowed, but Google, Amazon, and Zoom is not.

3. With no additional questions from the board, Sue moved to close, no objections, meeting adjourned at 11:34am.

Francis Park
Secretary