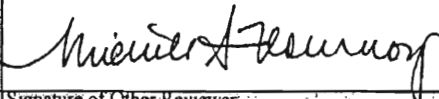
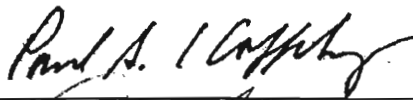
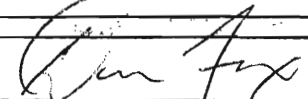


Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

| | | | | | | |
|---|--|---------------------------------|---|---|---|--|
| Date of Appointment, Candidacy, Election or Nomination (Month, Day, Year) | Reporting Status (Check appropriate boxes) <input type="checkbox"/> Incumbent | Calendar Year Covered by Report | New Entrant, Nominee or Candidate <input checked="" type="checkbox"/> | Termination Filer <input type="checkbox"/> | Termination Date (If Applicable) (Month, Day, Year) | Fee for Late Filing Any individual who is required to file this report and does so more than 30 days after the date the report is required to be filed, or, if an extension is granted, more than 30 days after the last day of the filing extension period shall be subject to a \$200 fee. |
| Reporting Individual's Name | Last Name Flournoy | | First Name and Middle Initial Michele A. | | | |
| Position for Which Filing | Title of Position Under Secretary of Defense for Policy | | Department or Agency (If Applicable) Department of Defense | | | |
| Location of Present Office (or forwarding address) | Address (Number, Street, City, State, and ZIP Code) Center for a New American Security, 1301 Pennsylvania Ave, #403, Washington, DC 20004 | | | Telephone No. (Include Area Code) (202) 457-9400 | | |
| Position(s) Held with the Federal Government During the Preceding 12 Months (If Not Same as Above) | Title of Position(s) and Date(s) Held None | | | | | |
| Presidential Nominees Subject to Senate Confirmation | Name of Congressional Committee Considering Nomination Senate Armed Services Committee | | Do You Intend to Create a Qualified Diversified Trust? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| Certification | Signature of Reporting Individual | | Date (Month, Day, Year) | | | |
| I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge. |  | | 1/13/09 | | | |
| Other Review (If desired by agency) | Signature of Other Reviewer | | Date (Month, Day, Year) | | | |
| | | | | | | |
| Agency Ethics Official's Opinion | Signature of Designated Agency Ethics Official/Reviewing Official | | Date (Month, Day, Year) | | | |
| On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (subject to any comments in the box below). |  | | 01-13-09 | | | |
| Office of Government Ethics Use Only | Signature | | Date (Month, Day, Year) | | | |
| |  | | 1/13/09 | | | |
| Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet) | | | | | | |
| (Check box if filing extension granted & indicate number of days _____) <input type="checkbox"/> | | | | | | |
| (Check box if comments are continued on the reverse side) <input type="checkbox"/> | | | | | | |
| Agency Use Only | | | | | | |
| OGE Use Only | | | | | | |

Reporting Individual's Name

SCHEDULE A

Page Number

1

Flournoy, Michele A.

| Assets and Income BLOCK A | | Valuation of Assets at close of reporting period BLOCK B | | | | | | | | | | Income: type and amount. If "None (or less than \$200)" is checked, no other entry is needed in Block C for that item. BLOCK C | | | | | | | | | | | | | | | | | |
|--|--|---|--------------------|---------------------|----------------------|-----------------------|-----------------------|-------------------------|---------------------------|----------------------------|-----------------------------|---|----------------|-------|-----------|-----------|----------|---------------|---------------------------|---------------|-------------------|-------------------|--------------------|---------------------|----------------------|-----------------------|----------------|---|---|
| | | \$0 - \$1,000 | \$1,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | \$250,001 - \$500,000 | \$500,001 - \$1,000,000 | \$1,000,001 - \$5,000,000 | \$5,000,001 - \$25,000,000 | \$25,000,001 - \$50,000,000 | Over \$50,000,000 | Excluded Trust | Other | Dividends | Royalties | Interest | Capital Gains | None (or less than \$200) | \$0 - \$1,000 | \$1,001 - \$2,500 | \$2,501 - \$5,000 | \$5,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$500,000 | Over \$500,000 | Other Income (Specify Type & Actual Amount) | Date (Mo., Day, Yr.) Only if Honoraria |
| <p>For you, your spouse, and dependent children report each asset held for investment or the production of income which had a fair market value exceeding \$1,000 at the close of the reporting period, or which generated more than \$200 in income during the reporting period, together with such income.</p> <p>For yourself, also report the source and actual amount of earned income exceeding \$200 (other than from the U.S. Government). For your spouse report the source but not the amount of earned income of more than \$1,000 (except report the actual amount of any honoraria over \$200 of your spouse).</p> <p>None <input type="checkbox"/></p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Examples</p> <p>Central Airlines Common Doe Jones & Smith, Hometown, State Kempstone Equity Fund IRA: Heartland 500 Index Fund</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Center for a New American Security (CNAS) | | | | | | | | | | | | | | | | | | | | | | | | | | | Salary: \$254,820 | |
| 2 | AVA Partners - partnership formed with my spouse- consulting See Schedule D for individual clients | | | | | | | | | | | | | | | | | | | | | | | | | | | Consulting fees \$60,000.00 | |
| 3 | New York University | | | | | | | | | | | | | | | | | | | | | | | | | | | Honorarium \$5,000.00 | 5/23/08 |
| 4 | Center for American Progress | | | | | | | | | | | | | | | | | | | | | | | | | | | Honorarium \$1,500.00 | 11/15/08 |
| 5 | S: IBM | | | | | | | | | | | | | | | | | | | | | | | | | | | Salary/bonuses | |
| 6 | S: Unitech Corporation | | | | | | | | | | | | | | | | | | | | | | | | | | | Bd of Directors fee | |

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

SCHEDULE A continued
 (Use only if needed)

Florunoy, Michele A.

| BLOCK A Assets and Income | BLOCK B Valuation of Assets at close of reporting period | | | | | | | | BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item. | | Date (Mo., Day, Yr.) Only if Honoraria | |
|-------------------------------|---|---------------------------|--------------------|---------------------|----------------------|-----------------------|-----------------------|-----------------|---|----------|---|---|
| | Type | None (or less than \$201) | \$1,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | \$250,001 - \$500,000 | Over \$500,000* | Dividends | Interest | | Other Income (Specify Type & Actual Amount) |
| None <input type="checkbox"/> | | | | | | | | | | | | |
| 1 | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | Institute for Defense Analyses | | | | | | | | | | Bd of Trustees Fees \$5,000 | |
| 4 | Unconventional Concepts | | | | | | | | | | Honorarium \$2,000 | 8/22/08 |
| 5 | Detica DFI | | | | | | | | | | Honorarium \$1,500 | 1/18/08 |
| 6 | Bipartisan Policy Center | | | | | | | | | | Honorarium \$2,000 | 2/27/08 |
| 7 | JHU Applied Physics Laboratory | | | | | | | | | | Honorarium \$2,000 | 2/28/08 |
| 8 | Center for Strategic and International Studies | | | | | | | | | | Honoraria: \$1,000, \$500, and \$250 | 1/2/08 4/11/08 8/18/08 |
| 9 | | | | | | | | | | | | |

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Reporting Individual's Name
 Flournoy, Michele A.

SCHEDULE A-continued
 (Use only if needed)

Page Number
 3

| BLOCK A Assets and Income | BLOCK B Valuation of Assets at close of reporting period | | | | | | | | BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item. | | Other Income (Specify Type & Actual Amount) | Date (Mo., Day, Yr.) Only if Honoraria |
|--|---|--------------------|---------------------|----------------------|-----------------------|-----------------------|----------------|------------------|---|---------------------------|---|---|
| | None | \$1,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | \$250,001 - \$500,000 | Over \$500,000 | Over \$1,000,000 | Over \$5,000,000 | Over \$10,000,000 | | |
| | | | | | | | | | Type | Amount | | |
| | | | | | | | | | Dividends | None (or less than \$201) | | |
| 1 S: IBM Retirement Account (401K) consisting of: | | | | | | | | | | | | |
| 2 Aggressive Life Strategy Fund | | | | | | | | | | | | |
| 2 Stable Value Fund | | | | | | | | | | | | |
| 2 Stable Value Fund | | | | | | | | | | | | |
| 3 IBM Stock | | | | | | | | | | | | |
| 3 IBM Stock: vested/unvested options | | | | | | | | | | | | |
| 3 IBM Restricted Stock Units | | | | | | | | | | | | |
| 4 (see attachment for options and RSU) | | | | | | | | | | | | |
| 4 Inflation Protection Bond Fund | | | | | | | | | | | | |
| 5 S: Retirement.com (stock options) | | | | | | | | | | | | |
| 6 USAA Federal Savings Bank (savings) | | | | | | | | | | | | |
| 7 USAA Federal Savings Bank (checking) | | | | | | | | | | | | |
| 8 USAA Federal Savings Bank - CD | | | | | | | | | | | | |
| 9 S: Time Domain Corp. (stock options) | | | | | | | | | | | | |

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Reporting Individual's Name
 Flournoy, Michele A.

SCHEDULE A continued
 (Use only if needed)

Page Number
 4

| BLOCK A | BLOCK B | | | | | | | BLOCK C | | | | | | | | | | | | | | |
|--|--------------------------|--------------------|---------------------|----------------------|-----------------------|-----------------------|----------------|----------------------------|----------------|------------------|-----------|----------|---------------------------|-------------------|-------------------|--------------------|---------------------|----------------|------------------|------------------|---|--|
| | None | \$1,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | \$250,001 - \$500,000 | Over \$500,000 | Accepted interest in trust | Excluded trust | Qualifying trust | Dividends | Interest | None (or less than \$201) | \$1,001 - \$2,500 | \$2,501 - \$5,000 | \$5,001 - \$15,000 | \$15,001 - \$50,000 | Over \$50,000* | Over \$1,000,000 | Over \$5,000,000 | Other Income (Specify Type & Actual Amount) | Date (Mo., Day, Yr) Only if Honoraria |
| 1 | <input type="checkbox"/> | | | | | | | | | | | | X | | | | | | | | | |
| S: Aegis Capital Corp 2.81% ownership, LLC NY, NY | | | | | | | | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | X | | | | | | | | | |
| S: Unitech Corp - (stock options) | | | | | | | | | | | | | | | | | | | | | | |
| 3 | | X | | | | | | | | | | | X | | | | | | | | | |
| Wells Fargo Mortgage Escrow | | | | | | | | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | X | | | | X | | | | | | | |
| TIAA CREF consisting of: TIAA Traditional TIAA Real Estate | | | | | | | | | | | | | | | | | | | | | | |
| 5 | | X | | | | | | | | | | | X | | | | | | | | | |
| CREF Stock | | | | | | | | | | | | | | | | | | | | | | |
| 6 | | X | | | | | | | | X | | | | | | | | | | | | |
| Maryland College Investment Plan Age Based Option: Moderate Portfolio | | | | | | | | | | | | | | | | | | | | | | |
| 7 | | X | | | | | | | | X | | | | | | | | | | | | |
| Maryland College Investment Plan Age Based Option: Moderate Portfolio | | | | | | | | | | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | X | | | X | | | | | | | | |
| AVA Partners Retirement Plan Consisting of: CD- (cash) | | | | | | | | | | | | | | | | | | | | | | |
| 9 | | X | | | | | | | | X | | | X | | | | | | | | | |
| CMA Account (cash) | | | | | | | | | | | | | | | | | | | | | | |

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Reporting Individual's Name
 Flournoy, Michele A.

SCHEDULE A continued
 (Use only if needed)

| Assets and Income BLOCK A | Valuation of Assets at close of reporting period BLOCK B | | | | | | | | Income: type and amount. If "None (or less than \$20)" is checked, no other entry is needed in Block C for that item. | | Other Income (Specify Type & Actual Amount) | Date (Mo., Day, Yr.) Only if Honoraria | | | | |
|--|---|---------------------|----------------------|-----------------------|-------------------------|----------------------------|-----------------------------|-------------------|---|--------------|---|---|------|--------|--|--|
| | \$1,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$500,000 | \$500,001 - \$1,000,000 | \$1,000,001 - \$25,000,000 | \$25,000,001 - \$50,000,000 | Over \$50,000,000 | Excepted Trusts | Other Assets | | | Type | Amount | | |
| None <input type="checkbox"/> | | | | | | | | | | | Dividends | | | | | |
| 1 AVA Retirement continued: | | | | | | | | | | | None (or less than \$20) | | | | | |
| FNMA Notes | | | | | | | | | | | Interest | | | | | |
| 2 HSBC Finance Corp notes | | | | | | | | | | | Interest | | | | | |
| 3 BlackRock Global Fund | | | x | | | | | | | | None (or less than \$20) | | | | | |
| 4 Davis NY Venture Fund | | | | | | | | | | | None (or less than \$20) | | | | | |
| 5 | | | | | | | | | | | | | | | | |
| 6 S:IRA (USAA) Balanced Asset Strategy Fund | | | x | | | | | | | | None (or less than \$20) | | | | | |
| 7 IRA (USAA) Balanced Asset Strategy Fund | x | | | | | | | | | | None (or less than \$20) | | | | | |
| 8 CNAS 403b consisting of: | | | | | | | | | | | | | | | | |
| Franklin Total R Return | x | | | | | | | | | | None (or less than \$20) | | | | | |
| American Funds Growth Fund | x | | | | | | | | | | None (or less than \$20) | | | | | |
| 9 Thornburg International Value | x | | | | | | | | | | None (or less than \$20) | | | | | |

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Reporting Individual's Name

Flournoy, Michele A.

SCHEDULE A continued

(Use only if needed)

Page Number

6

| BLOCK A Assets and Income | | BLOCK B Valuation of Assets at close of reporting period | | | | | | | | BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item. | | | | | | | | | |
|------------------------------|--|---|--------------------|---------------------|----------------------|-----------------------|-----------------------|---------------------------|------------------|---|-------------------|-------------------|--------------------|---------------------|----------------------|-----------------------|----------------|---|---|
| | | None | \$1,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | \$250,001 - \$500,000 | \$500,001 - \$1,000,000 * | Over \$1,000,000 | None (or less than \$201) | \$1,001 - \$2,500 | \$2,501 - \$5,000 | \$5,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | Over \$250,000 | Other Income (Specify Type & Actual Amount) | Date (Mo., Day, Yr.) Only if Honoraria |
| 1 | S: Dolores C. Gould Trust consisting of: | | | | | | | | | | | | | | | | | | |
| 2 | Bank Deposit Program (BDP) | | | | | | | | | | | | | | | | | | |
| | Bank of America Corp (BAC) | | x | | | | | | | | x | | | | | | | | |
| 3 | Barrett Business Services, Inc. (BBSI) | | x | | | | | | | | | | | | | | | | |
| | Cantel Medical Corp (CMN) | | x | | | | | | | | | | | | | | | | |
| 4 | Coca Cola Enterprises Inc. (CCE) | | x | | | | | | | | | | | | | | | | |
| | Eaton Vance Corp (EV) | | | | | | | | | | x | | | | | | | | |
| 5 | Energy Transfer Equity LP (ETE) | | | | | | | | | | x | | | | | | | | |
| | First Aviation Services Inc. (FAVS) | | x | | | | | | | | | | | | | | | | |
| 6 | Microsoft Corp (MSFT) | | x | | | | | | | | | | | | | | | | |
| | On Semiconductor Corp (ONNN) | | | | | | | | | | | | | | | | | | |
| 7 | Oracle Corp (ORCL) | | x | | | | | | | | | | | | | | | | |
| | Penn West Energy TR-CAD (PWE) | | x | | | | | | | | | | x | | | | | | |
| 8 | Plains All American Pipeline LP (PAA) | | | | x | | | | | | | | | | | | | | |
| | Prudential Financial Inc (PRU) | | x | | | | | | | | | | | | | | | | |
| 9 | United Parcel Service (UPS) | | x | | | | | | | | | | | | | | | | |

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children mark the other higher category.

Prior Editions Cannot be Used.

Do not Complete Schedule B if you are a new entrant, nominee, Vice Presidential or Presidential Candidate

Reporting Individual's Name: **SCHEDULE B** Page Number: **7**

Part I: Transactions

None

Report any purchase, sale, or exchange by you, your spouse, or dependent children during the reporting period of any real property, stocks, bonds, commodity futures, and other securities when the amount of the transaction exceeded \$1,000. Include transactions that resulted in a loss. Do not

report a transaction involving property used solely as your personal residence, or a transaction solely between you, your spouse, or dependent child. Check the "Certificate of divestiture" block to indicate sales made pursuant to a certificate of divestiture from OGE.

| 1 | 2 | 3 | 4 | 5 | Identification of Assets | Transaction Type (x) | | | Date (Mo., Day, Yr.) | Amount of Transaction (\$) | | | | | | | | | | | Certificate of divestiture | | | | | |
|---|---|---|---|---|----------------------------------|----------------------|------|----------|----------------------|----------------------------|---------------------|----------------------|-----------------------|-----------------------|-------------------------|------------------|---------------------------|----------------------------|-----------------------------|-------------------|----------------------------|--|--|--|--|--|
| | | | | | | Purchase | Sale | Exchange | | \$1,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | \$250,001 - \$500,000 | \$500,001 - \$1,000,000 | Over \$1,000,000 | \$1,000,001 - \$5,000,000 | \$5,000,001 - \$25,000,000 | \$25,000,001 - \$50,000,000 | Over \$50,000,000 | | | | | | |
| | | | | | Example: Central Airlines Common | x | | | 2/1/99 | | | | x | | | | | | | | | | | | | |
| 1 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | | | | | | | | | | | | |

* This category applies only if the underlying asset is solely that of the filer's spouse or dependent children. If the underlying asset is either held by the filer or jointly held by the filer with the spouse or dependent children, use the other higher categories of value, as appropriate.

Part II: Gifts, Reimbursements, and Travel Expenses

For you, your spouse and dependent children, report the source, a brief description, and the value of: (1) gifts (such as tangible items, transportation, lodging, food, or entertainment) received from one source totaling more than \$260, and (2) travel-related cash reimbursements received from one source totaling more than \$260. For conflicts analysis, it is helpful to indicate a basis for receipt, such as personal friend, agency approval under 5 U.S.C. § 4111 or other statutory authority, etc. For travel-related gifts and reimbursements, include travel itinerary, dates, and the nature of expenses provided. Exclude anything given to you by

the U.S. Government; given to your agency in connection with official travel received from relatives; received by your spouse or dependent child totally independent of their relationship to you; or provided as personal hospitality at the donor's residence. Also, for purposes of aggregating gifts to determine the total value from one source, exclude items worth \$104 or less. See instructions for other exclusions.

None

| 1 | 2 | 3 | 4 | 5 | Source (Name and Address) | Brief Description | Value |
|---|---|---|---|---|--|---|----------------|
| | | | | | Example: Natl Assn. of Rock Collectors, NY, NY Frank Jones, San Francisco, CA | Airline ticket, hotel room, & meals incident to national conference 6/15/99 (personal activity unrelated to duty). Leather briefcase (personal friend) | \$500 \$300 |
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |

| | | |
|--|-------------------|-------------------------|
| Reporting Individual's Name Flournoy, Michele A. | SCHEDULE C | Page Number 8 |
|--|-------------------|-------------------------|

Part I: Liabilities

Report liabilities over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent children. Check the highest amount owed during the reporting period. Exclude a mortgage on your

personal residence unless it is rented out; loans secured by automobiles, household furniture or appliances; and liabilities owed to certain relatives listed in instructions. See instructions for revolving charge accounts.

None

Category of Amount or Value (x)

| Creditor's (Name and Address) | Type of Liability | Date Incurred | Interest Rate | Term if applicable | Category of Amount or Value (x) | | | | | | | | | | | | | | | | |
|---|---------------------------------------|---------------|---------------|--------------------|---------------------------------|---------------------|----------------------|-----------------------|-----------------------|-------------------------|------------------|---------------------------|----------------------------|-----------------------------|-------------------|--|--|--|--|--|--|
| | | | | | \$10,001 - \$15,000 | \$15,001 - \$50,000 | \$50,001 - \$100,000 | \$100,001 - \$250,000 | \$250,001 - \$500,000 | \$500,001 - \$1,000,000 | Over \$1,000,000 | \$1,000,001 - \$5,000,000 | \$5,000,001 - \$25,000,000 | \$25,000,001 - \$50,000,000 | Over \$50,000,000 | | | | | | |
| Examples: First District Bank, Washington, DC | Mortgage on rental property, Delaware | 1991 | 8% | 25 yrs. | | | | | | | | | | | | | | | | | |
| John Jones, 123 J St., Washington, DC | Promissory note | 1999 | 10% | on demand | | | | | | | | | | | | | | | | | |
| 1 | | | | | | | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | | | | | | | |

* This category applies only if the liability is solely that of the filer's spouse or dependent children. If the liability is that of the filer or a joint liability of the filer with the spouse or dependent children, mark the other higher categories, as appropriate.

Part II: Agreements or Arrangements

Report your agreements or arrangements for: (1) continuing participation in an employee benefit plan (e.g. 401k, deferred compensation); (2) continuation payment by a former employer (including severance payments); (3) leaves

of absence; and (4) future employment. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

None

| Status and Terms of any Agreement or Arrangement | Parties | Date |
|--|------------------------------------|--------|
| Example: Pursuant to partnership agreement, will receive lump sum payment of capital account & partnership share calculated on service performed through 1/00. | Doe Jones & Smith, Hometown, State | 7/85 |
| 1 CNAS - 403(b) I will continue to participate in this plan. No further contributions will be made by employer. | CNAS | 2/1/07 |
| 2 CSIS 403(b) - I will continue to participate in this plan consisting of TIAA-CREF listed on Sched. A. No further contributions made by employer. | CSIS | 2000 |
| 3 AVA Partners - retirement plan. Holdings listed on Sched. A. Partnership with my spouse. Firm will be dormant during my DoD appointment. | AVA Partners | 1/1/04 |
| 4 | | |
| 5 | | |
| 6 | | |

| | | |
|---|-------------------|------------------|
| Reporting Individual's Name Flournoy, Michele A. | SCHEDULE D | Page Number 9 |
|---|-------------------|------------------|

Part I: Positions Held Outside U.S. Government

Report any positions held during the applicable reporting period, whether compensated or not. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or

consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature.

None

| | Organization (Name and Address) | Type of Organization | Position Held | From (Mo., Yr.) | To (Mo., Yr.) |
|-----------|--|----------------------------------|--------------------------|-----------------|-----------------|
| Examples: | Nat'l Assn. of Rock Collectors, NY, NY Doe Jones & Smith, Hometown, State | Non-profit education Law firm | President Partner | 6/92 7/85 | Present 1/00 |
| 1 | Center for a New American Security | Non-profit think tank | President and Co-Founder | 1/07 | present |
| 2 | | | | | |
| 3 | AVA Partners | Consulting firm | Managing Director | 1/03 | present |
| 4 | Women in International Security, Georgetown University | Non-profit education | Member, Executive Board | 1999 | present |
| 5 | Institute for Defense Analyses | Non-profit FFRDC | Trustee | 2007 | present |
| 6 | W. Scott Gould and Michele Flournoy Revocable Trusts | Revocable trust | Co-Trustee | 2006 | present |

Part II: Compensation In Excess Of \$5,000 Paid by One Source

Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any

corporation, firm, partnership, or other business enterprise, or any other non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source.

Do not complete this part if you are an Incumbent, Termination Filer, or Vice Presidential or Presidential Candidate

None

| | Source (Name and Address) | Brief Description of Duties |
|-----------|--|---|
| Examples: | Doe Jones & Smith, Hometown, State Metro University (client of Doe Jones & Smith), Moneytown, State | Legal services Legal services in connection with university construction |
| 1 | Center for a New American Security | Salary |
| 2 | Lockheed Martin Corp (through AVA Partners) | Consulting fees |
| 3 | BAE Systems North America (through AVA Partners) | Consulting fees |
| 4 | MPRI (through AVA Partners) | Speaking fees |
| 5 | SAIC (through AVA Partners) | Consulting fees |
| 6 | Institute for Defense Analyses | Board of Trustees fees |

Attachment to 278 Report of Michele A. Flournoy

Note to Page 3, Line 3, IBM Stock Option

(S) IBM Securities

IBM vested stock options: 1059 shares at \$101.33 – value not readily ascertainable - expiration 2015.

IBM unvested stock option: 354 shares at \$101.33: (vest on 03/08/09) - value not readily ascertainable – expiration 2015.

IBM Restricted Stock Units – 250 shares at \$82.76 – (vest 5/2010) – value not ascertainable – (no expiration)

IBM Restricted Stock Units – 264 shares at \$102.80 – (132 units vest 5/2009) (132 vest unit 5/2011) (no expiration)

IBM Restricted Stock Units – 468 shares at \$124.46 – (234 vest 5/2010) (234 vest 5/2012) (no expiration)