

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>07/01/2005</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u> <u>8915 N. BROOKSHIRE DRIVE</u> <u>SAGINAW, MI 48609</u>	2b Employer Identification Number (EIN) <u>38-3720787</u> 2c Sponsor's telephone number <u>248-745-9420</u> 2d Business code (see instructions) <u>611000</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/12/2012</u>	<u>RICHARD POWELL</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") CHARTER SCHOOL SERVICES OF MICHIGAN, INC. 8915 N. BROOKSHIRE DRIVE SAGINAW, MI 48609	3b Administrator's EIN 38-3720787 3c Administrator's telephone number 248-745-9420
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	185
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	159
b Retired or separated participants receiving benefits.....	6b	3
c Other retired or separated participants entitled to future benefits.....	6c	27
d Subtotal. Add lines 6a , 6b , and 6c	6d	189
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	
f Total. Add lines 6d and 6e	6f	189
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	108
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☒ 1 **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u>	D Employer Identification Number (EIN) <u>38-3720787</u>	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

LINCOLN NATIONAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
<u>35-0472300</u>	<u>65676</u>	<u>GP35433</u>	<u>114</u>	<u>01/01/2011</u>	<u>12/31/2011</u>

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
<u>4008</u>	<u>44</u>

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

HORNOR TOWNSEND AND KENT, INC. 600 DRESHER ROAD, STE C2C
HORSHAM, PA 19044

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
<u>4008</u>	<u>44</u>	<u>NON-MONETARY COMPENSATION TO SALES REP</u>	<u>4</u>

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	192589
5 Current value of plan's interest under this contract in separate accounts at year end	5	1214375

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☒ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	153024
c Additions: (1) Contributions deposited during the year	7c(1)	40280
(2) Dividends and credits	7c(2)	0
(3) Interest credited during the year	7c(3)	4039
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)..... ▶ LOAN REPAY/FORF/TAKEOVER/ADJUSTMENTS	7c(5)	866
(6) Total additions	7c(6)	45185
d Total of balance and additions (add b and c(6))	7d	198209
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	3329
(2) Administration charge made by carrier	7e(2)	1172
(3) Transferred to separate account	7e(3)	956
(4) Other (specify below)..... ▶ LOAN ISSUES/FORF/FEEs/CORRECTIVES/ADJ	7e(4)	163
(5) Total deductions	7e(5)	5620
f Balance at the end of the current year (subtract e(5) from d)	7f	192589

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARTER SCHOOL SERVICES OF MICHIGAN, INC.	D Employer Identification Number (EIN) 38-3720787	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
LINCOLN NATIONAL LIFE INSURANCE CO

35-1140070

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

LINCOLN NATIONAL CORPORATION

35-1140070

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15	SERVICE PROVIDER	14692	Yes ☒ No ☐	Yes ☒ No ☐		Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u>	D Employer Identification Number (EIN) <u>38-3720787</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)
(Complete as many entries as needed to report all interests in DFEs)	

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SHORT TERM</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-114</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>223412</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP WILSHIRE 2020 PROFILE</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-702</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>101568</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FIDELITY VIP GROWTH</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-158</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>55155</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP WILSHIRE 2030 PROFILE</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-703</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>53251</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>BLACKROCK ENERGY & RESOURCES</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-177</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>50796</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP SSGA S&P 500 INDEX</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-127</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>47751</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP SSGA SMALL CAP INDEX</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-136</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>42983</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: JANUS ASPEN SERIES LARGE CAP GROWTH			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-170	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	35685
a Name of MTIA, CCT, PSA, or 103-12 IE: GOVERNMENT/CORPORATE BOND			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-112	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	35309
a Name of MTIA, CCT, PSA, or 103-12 IE: INTERNATIONAL EQUITY			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-122	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	33765
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP WILSHIRE 2040 PROFILE			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-704	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	33728
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP TEMPLETON GROWTH			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-162	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	32944
a Name of MTIA, CCT, PSA, or 103-12 IE: ALLIANCEBERNSTEIN VPS SMALL/MID CAP			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-139	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	32379
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP COHEN & STEERS GBL REAL EST			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-155	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	29302
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS GROWTH - INCOME			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-149	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	27785
a Name of MTIA, CCT, PSA, or 103-12 IE: HIGH YIELD BOND			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-120	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	26338
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS INTERNATIONAL			
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO			
c EIN-PN 35-1140070-154	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	26048

a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK LARGE CAP VALUE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-180	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 20949
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK MID-CAP VALUE EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-183	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 19703
a Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP EQUITY-INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-157	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 19427
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP VALUE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-161	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 19230
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP DIVERSIFIED INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-193	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 18766
a Name of MTIA, CCT, PSA, or 103-12 IE: ALLIANCEBERSTEIN VPS GRTH & INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-119	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 16488
a Name of MTIA, CCT, PSA, or 103-12 IE: JANUS ASPEN SERIES MID CAP GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-164	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 16330
a Name of MTIA, CCT, PSA, or 103-12 IE: CONSERVATIVE BALANCED		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-130	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 15272
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP EMERGING MARKETS		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-194	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14918
a Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP CONTRAFUND		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-135	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14483

a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-148	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13907
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP CAPITAL RESERVES		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-187	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13592
a Name of MTIA, CCT, PSA, or 103-12 IE: VALUE EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-128	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12935
a Name of MTIA, CCT, PSA, or 103-12 IE: ALLIANCEBERNSTEIN VPS GLOBAL TECH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-131	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12701
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP WILSHIRE MODERATELY AGGRESSIVE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-197	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12183
a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CAPITALIZATION EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-123	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11029
a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON GLOBAL INCOME SECURITIES		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-186	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10422
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP SMALL CAP VALUE SERIES		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-156	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8414
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS GLOBAL SMALL CAPITALIZATION		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-146	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8216
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP T. ROWE PRICE GROWTH STOCK		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-129	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5628

a Name of MTIA, CCT, PSA, or 103-12 IE: MEDIUM CAPITALIZATION EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-117	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5364

a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS GLOBAL GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-134	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5030

a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP WILSHIRE MODERATE PROFILE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-196	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4972

a Name of MTIA, CCT, PSA, or 103-12 IE: CORE EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-111	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2565

a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK CAPITAL APPRECIATION		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-181	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2514

a Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP MID CAP		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-184	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2511

a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP MID-CAP VALUE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-138	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2481

a Name of MTIA, CCT, PSA, or 103-12 IE: FRANKLIN SMALL-MID CAP GROWTH SECUR		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-163	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2295

a Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP OVERSEAS		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-159	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2054

a Name of MTIA, CCT, PSA, or 103-12 IE: BALANCED		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-121	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1931

a Name of MTIA, CCT, PSA, or 103-12 IE: AMERICAN CENTURY VP INFLATION PROT.		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-192	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1841
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP DELAWARE SOCIAL AWARENESS		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-133	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1762
a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAPITALIZATION EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-124	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1759
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP WILSHIRE CONSERVATIVE PROFILE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-195	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1536
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP WISH 2010		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-701	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1091
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP SSGA INT L INDEX		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-708	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 912
a Name of MTIA, CCT, PSA, or 103-12 IE: AMERFUND AMER HIGH - INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-716	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 341
a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA RUSSELL SM CAP GR NON-LENDING		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-715	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 276
a Name of MTIA, CCT, PSA, or 103-12 IE: AMFUNDS BOND FUND OF AMERICA		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-717	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 136
a Name of MTIA, CCT, PSA, or 103-12 IE: AGGRESSIVE BALANCED		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-132	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 94

a Name of MTIA, CCT, PSA, or 103-12 IE: MFS VIT UTILITIES SERIES**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-167	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 91
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a Name of MTIA, CCT, PSA, or 103-12 IE: MFS VIT GROWTH SERIES**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-165	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 22
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a Name of MTIA, CCT, PSA, or 103-12 IE: FRANKLIN SMALL-MID CAP GROWTH SECUR**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-163	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2295
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a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP MID-CAP VALUE**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-138	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2481
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a Name of MTIA, CCT, PSA, or 103-12 IE: MFS VIT GROWTH SERIES**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-165	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 22
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a Name of MTIA, CCT, PSA, or 103-12 IE: AMERICAN CENTURY VP INFLATION PROT.**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-192	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1841
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a Name of MTIA, CCT, PSA, or 103-12 IE: MFS VIT UTILITIES SERIES**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-167	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 91
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a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP WILSHIRE CONSERVATIVE PROFILE**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-195	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1536
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a Name of MTIA, CCT, PSA, or 103-12 IE: AMERFUND AMER HIGH - INCOME**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-716	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 341
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a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP SSGA INT L INDEX**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-708	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 912
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARTER SCHOOL SERVICES OF MICHIGAN, INC.	D Employer Identification Number (EIN) 38-3720787	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	4002	4612
(2) Participant contributions	1b(2)	6170	8369
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	30044	31415
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)	1190620	1214375
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	155298	192589
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1386134	1451360

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	528	691
k Total liabilities (add all amounts in lines 1g through 1j)	1k	528	691

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1385606	1450669
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	105117	
(B) Participants	2a(1)(B)	191353	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		296470
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	1484	
(F) Other	2b(1)(F)	4039	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		5523
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-38697
c Other income.....	2c		-2274
d Total income. Add all income amounts in column (b) and enter total.....	2d		261022

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	181267	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		181267
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	14692	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		14692
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		195959

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		65063
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: YEO & YEO, PC (2) EIN: 38-2706146

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		60000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u>	D Employer Identification Number (EIN) <u>38-3720787</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>35-0472300</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**Charter School Services of
Michigan, Inc. Retirement Plan**

**Annual Statement of Net Assets
Available for Benefits
and
Auditors' Report**

December 31, 2011

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statement of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4
Supplemental Schedules	
Schedule of Assets (Held at End of Year)	11
Schedule of Delinquent Participant Contributions	14

Independent Auditors' Report

Board of Directors
Charter School Services of Michigan Inc. Retirement Plan
Pontiac, Michigan

We were engaged to audit the accompanying statement of net assets available for benefit of Charter School Services of Michigan Inc. Retirement Plan as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011 and the supplemental schedules as of and for the year ended December 31, 2011, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Lincoln National Life Insurance Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Yeo & Yeo, P.C.

Saginaw, Michigan
September 28, 2012

Charter School Services of Michigan Inc. Retirement Plan
Statement of Net Assets Available for Benefits

	December 31,	
	2011	2010
Assets		
Investments, at fair value		
Pooled separate accounts	\$ 1,214,375	\$ 1,190,620
Guaranteed interest account	<u>192,589</u>	<u>155,298</u>
Total investments	1,406,964	1,345,918
Receivables		
Employee contributions	8,369	6,170
Employer contributions	4,612	4,002
Participant loans	<u>31,415</u>	<u>30,044</u>
Total receivables	<u>44,396</u>	<u>40,216</u>
Total assets	1,451,360	1,386,134
Liabilities		
Loan overpayment	<u>691</u>	<u>528</u>
 Net assets available for benefits at fair value	 <u>\$ 1,450,669</u>	 <u>\$ 1,385,606</u>
Adjustment from fair value to contract value for fully benefit-responsive investment contract	 <u>-</u>	 <u>(2,274)</u>
 Net assets available for benefits	 <u>\$ 1,450,669</u>	 <u>\$ 1,383,332</u>

See Accompanying Notes to Financial Statements

Charter School Services of Michigan Inc. Retirement Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2011

Additions

Investment income

Net realized and unrealized appreciation (depreciation)	
in fair value of pooled separate accounts	\$ (38,697)
Interest earned on guaranteed interest account	<u>4,039</u>

Net investment income (loss)	(34,658)
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Participant loan interest	1,484
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Contributions

Employee deferrals	191,353
Employer	<u>105,117</u>

Total contributions	<u>296,470</u>
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Total additions	263,296
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Deductions

Benefit payments	181,267
------------------	---------

Administration fees	<u>14,692</u>
---------------------	---------------

Total deductions	<u>195,959</u>
------------------	----------------

Net change in assets	67,337
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Net assets available for benefits, beginning of year	<u>1,383,332</u>
--	------------------

Net assets available for benefits, end of year	<u><u>\$ 1,450,669</u></u>
--	----------------------------

See Accompanying Notes to Financial Statements

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Note 1 – Description of the Plan

The following description of the Charter School Services of Michigan Inc. Retirement Plan (Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the plan provisions.

General

The Plan is a defined contribution profit sharing plan covering substantially all employees of Charter School Services of Michigan, Inc. (Company). The Company provides employee leasing services on behalf of charter schools within the State of Michigan. During 2011 and 2010, the Company provided these services to two clients, Pontiac Academy of Excellence and Ojibwe Charter School. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Employees are eligible for plan participation in the elective deferral portion of the plan and discretionary Company non-elective contributions when they have attained the age of 20.5 years. Employees are eligible for the discretionary Company matching contributions when they have attained the age of 20.5 years and have completed one year of service. One year of service is defined as any plan year in which 1,000 hours are worked.

Contributions

Each participant may also elect to defer a percentage of his or her compensation, up to 80 percent for voluntary contributions to the Plan. A maximum deferral of \$16,500 was allowed for 2011 and 2010. Participants who were age 50 and older were allowed to defer an additional \$5,500 for 2011 and 2010.

Discretionary Company non-elective contributions to the Plan are determined by the Board of Directors of the Company and are allocated to each participant based upon a percentage of each participant's annual compensation to the annual compensation of all plan participants. The Company did not provide for a non-elective contribution for the 2011 plan year.

Discretionary Company matching contributions are allocated to each participant based on a percentage of the participant's elective contributions as determined by the Company's Board of Directors. For the 2011 plan year, the Company matched 100% of participant elective contributions up to a maximum of 5% of eligible plan compensation.

Participant Accounts

Each participant's account is credited with the participant's voluntary contributions and an allocation of the Company's contribution, and investment earnings. Allocations are based on participant annual contributions, annual compensation, or account balances as defined per the plan agreement. Allocations are also made in accordance with the investment account elections made by each participant. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Investment Options

Upon enrollment in the Plan, a participant may direct contributions into various pooled separate accounts and a guaranteed interest account (GIA) offered by the Plan. Participants may make changes to their investment options daily.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Vesting

Participants are immediately 100% vested in their voluntary contributions and Company non-elective accounts plus actual earnings thereon. The plan was amended effective July 1, 2006 to change the vesting requirements on Company matching account balances as follows:

Vesting Service (Years)	Vesting %
Less than 2	0%
2 but less than 3	25%
3 but less than 4	50%
4 but less than 5	75%
5 or more	100%

Participant Loans

Participants may borrow against their plan account balance a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance, whichever is less, in accordance with the plan agreement. The loans must bear reasonable rates of interest which are generally consistent with local borrowing rates as of the date of each loan. Principal and interest are paid ratably through payroll deductions over the term of the loan. Interest payments made on the loans are credited as earnings to the participant's account balance. Participant loans are measured at their unpaid principal balance plus any accrued but unpaid interest.

Payment of Benefits

The Plan provides for payment of 100% of the account balance to participants upon normal retirement at age 65, death, or total and permanent disability. Participants terminating employment for any other reason are entitled to receive 100% of their vested account balances and the remaining non-vested portions are forfeited. Per the plan agreement, all distributions from the Plan will be made in a single lump sum payment.

Certain participants may also be entitled to withdraw money from their account prior to termination. If a participant is 59.5 years of age they can elect to withdraw money from accounts which are 100% vested. Participants can also elect to withdraw money in the event of financial hardship if they meet certain conditions as described in the plan agreement.

Forfeitures

At December 31, 2011 and 2010, forfeited non-vested accounts totaled \$15,307 and \$16,437, respectively. Forfeitures of the non-vested portion of terminated participant's accounts will be used to pay any administrative expenses of the Plan. Forfeitures used towards plan expenses in 2011 were \$3,683.

Note 2 – Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed in the preparation of these financial statements.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits and changes in those net assets.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Valuation of Investments and Income Recognition

The Plan's investments are held in pooled separate accounts and a GIA through Lincoln National Life Insurance Company (Lincoln), the custodian. Investments are stated at fair market value. See Note 4 for discussion on the GIA and Note 5 for discussion of fair value measurement.

The unrealized appreciation (depreciation) in the pooled separate accounts represents the change in the aggregate fair value of investments during the plan year. The realized gain (loss) in the investments is the difference between the proceeds received and the adjusted book value of the investment at the date of sale. The unrealized appreciation (depreciation) and realized gain (loss) are reported net on the statement of changes in net assets available for benefits. Investment expenses are directly deducted against participants' individual account balances. Earnings on the GIA is the interest credited to participant accounts.

Receivables

Receivables consist of employee and employer contributions receivable, including participant loans receivable. No allowance was recorded as the full balance is deemed collectible.

Payment of Benefits

Benefits are recorded when paid.

Administrative Costs

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Some administrative expenses for the Plan are paid directly by the Company.

Subsequent Events

Management has evaluated subsequent events through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued.

Note 3 – Investments

The fair value of individual investments that exceed 5 percent of the Plan's net assets are as follows:

	2011	2010
Lincoln National Life Insurance Company		
Short term	\$ 223,412	\$ 185,046
Guaranteed interest account	198,737	155,298
Blackrock Energy & Resources	*	77,786
LVIP Protected Profile 2020	101,569	80,563

* Did not exceed 5% of net assets at this date

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Note 4 – Investment Contract with Insurance Company

As described in US GAAP, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

The Plan's investment options include a GIA. The GIA is deemed to be fully benefit responsive. Contributions made to the GIA are invested in a Lincoln separate investment account. The assets of the separate investment account are separate from Lincoln general investment account. The GIA is credited a guaranteed rate that is reset semi-annually or quarterly. The rates established are unique to each contract and are based on contributions, withdrawals, and expense activity within each contract. The guaranteed crediting rate cannot be reset below 0%, at a minimum. Therefore, each participant's principal is guaranteed while the contract is in force. Based on the information provided by Lincoln, the contract value of the account approximates the fair market value as of December 31, 2011 and 2010. Events that limit the Plan's ability to execute transactions at contract value with the issuer include plan termination, market value adjustments and surrender charges. The plan administrator does not believe that the occurrence of any such event is probable.

Participants should refer to the contract for further details covering the interest crediting methods. The average yields earned by the fund for the year ended December 31, 2011 and 2010 were as follows:

Average Yields:	2011	2010
Based on actual earnings	3.37%	3.71%
Based on interest rate credited to participants	3.37%	3.71%

Note 5 – Fair Value Measurements

US GAAP provides a definition of fair value which focuses on an exit price rather an entry price, establishes a framework for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with US GAAP, the Plan may use valuation techniques consistent with the market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, US GAAP establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under US GAAP are described as follows:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the assets or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

The following are descriptions of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Pooled separate accounts: these investments are valued using the net assets value (NAV) of units held by the Plan at year end as provided by Lincoln. The NAV is based on the fair value of the underlying assets owned by the fund, net of the investment management fee. The investment management fee is deducted prior to setting the daily unit value.

Guaranteed interest account: valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

		Fair Value Measurements at Reporting Date Using		
	Fair Value	Level 1	Level 2	Level 3
<u>December 31, 2011</u>				
Pooled separate accounts				
Growth	\$ 226,946	\$ -	\$ 226,946	\$ -
Foreign	75,480	-	75,480	-
Value	139,071	-	139,071	-
Bond	319,735	-	319,735	-
Blend	32,645	-	32,645	-
Balanced	17,299	-	17,299	-
World stock	13,246	-	13,246	-
Utilities	91	-	91	-
Equity energy	50,796	-	50,796	-
Index	91,011	-	91,011	-
Global real estate	29,302	-	29,302	-
World bond	10,422	-	10,422	-
Allocation	208,331	-	208,331	-
Guaranteed interest account	192,589	-	-	192,589
Total	<u>\$ 1,406,964</u>	<u>\$ -</u>	<u>\$ 1,214,375</u>	<u>\$ 192,589</u>
<u>December 31, 2010</u>				
Pooled separate accounts				
Growth	\$ 271,495	\$ -	\$ 271,495	\$ -
Foreign	98,133	-	98,133	-
Value	117,805	-	117,805	-
Bond	259,073	-	259,073	-
Blend	38,818	-	38,818	-
Balanced	16,555	-	16,555	-
World stock	23,372	-	23,372	-
Utilities	372	-	372	-
Equity energy	77,786	-	77,786	-
Index	86,491	-	86,491	-
Global real estate	33,481	-	33,481	-
World bond	8,484	-	8,484	-
Allocation	158,755	-	158,755	-
Guaranteed interest account	155,298	-	-	155,298
Total	<u>\$ 1,345,918</u>	<u>\$ -</u>	<u>\$ 1,190,620</u>	<u>\$ 155,298</u>

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2011

Total plan investment assets as of December 31, 2011 and 2010, at fair value classified within level 3 were \$192,589 and \$155,298, respectively, which primarily consist of the Plan's GIA. Such amounts were approximately 13.69% and 11.54% of total investment assets on the Plan's statement of net assets available for benefits at fair value as of December 31, 2011 and 2010, respectively.

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 investment assets for the year ended December 31, 2011. As reflected in the table below, the net unrealized gain (loss) on Level 3 investment assets was \$(2,274) and was related to the GIA held by the Plan.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

Description	Beginning balance	Total gains (losses)	Interest credited	Purchases	Sales	Ending balance
Guaranteed interest account	\$ 155,298	\$ (2,274)	\$ 4,039	\$ 41,146	\$ (5,620)	\$ 192,589

Note 6 – Related Party Transactions

Plan investments include pooled separate accounts and a GIA managed by Lincoln, the custodian of the Plan. Peritus Benefits and Investments, Inc., the third party administrator of the Plan, provides administration services for the Plan. These transactions qualify as party-in-interest. Management and administration fees totaling \$14,692 were paid to the custodian and third party administrator by the plan during 2011.

Note 7 – Plan Assets

The Plan's investment assets, transactions, and income were held and certified by Lincoln, the custodian, as of and for the years ended December 31, 2011 and 2010, respectively.

Note 8 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the plan agreement to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In event of termination, participants become 100% vested in the current account balances.

Note 9 – Income Tax Status

The prototype plan obtained its latest opinion letter in September 2001, in which the Internal Revenue Service stated that the prototype plan, as then designed, was in compliance with the applicable requirements of the IRC. The prototype plan has been amended since receiving the opinion letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Plan files informational returns in the U.S. federal jurisdiction. The statute of limitations is generally three years for federal returns.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Note 10 – Risks and Uncertainties

The Plan provides for various investment securities, such as pooled separate accounts. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for plan benefits.

Note 11 – Prohibited Transactions

It was discovered during the Plan's 2010 audit that the plan sponsor failed to remit to the Plan payroll withholdings for a number of participants for several pay periods totaling \$117 which is disclosed in the attached supplemental schedule. The plan sponsor intends to determine the effect on the entire population and the actual contribution that they failed to submit. The plan sponsor also plans to remit these withholdings to the Plan in 2012 and fund the affected participant accounts for potential lost earnings. This failure to remit participant contributions qualifies as a nonexempt prohibited transaction.

Note 12 – Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

	December 31,	
	2011	2010
Net assets available for benefits per the financial statements	\$ 1,450,669	\$ 1,383,332
Less: Adjustment from fair value to contract value for fully benefit-responsive investment contract	-	2,274
Net assets available for plan benefits per Form 5500	<u>\$ 1,450,669</u>	<u>\$ 1,385,606</u>

The following is a reconciliation of the change in net assets available for plan benefits per the financial statements to the Form 5500:

	Year ended December 31, 2011	
Net change in assets available for benefits per the financial statements	\$	67,337
Less: Change in adjustment from fair value to contract value for benefit-responsive investment contract		<u>(2,274)</u>
Net change in assets available for plan benefits per Form 5500	<u>\$</u>	<u>65,063</u>

Note 13 – Subsequent Events

Effective July 1, 2012, Ojibwe Charter School was no longer utilizing the employee leasing services of the Company, and, therefore, all participant account balances for Ojibwe Charter School were transferred out of the Plan and into a new plan with a different investment provider in 2012.

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2011

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	LVIP Mid-Cap Value SA38		\$ 2,481
*	Lincoln National Life Ins. Co.	LVIP Vanguard Domestic Eq SA19		16,488
*	Lincoln National Life Ins. Co.	LVIP T.Rowe Growth Stock SA29		5,628
*	Lincoln National Life Ins. Co.	AB Global Thematic SA31		12,701
*	Lincoln National Life Ins. Co.	Core Equity SA11		2,565
*	Lincoln National Life Ins. Co.	Gov't/Corporate Bond SA12		35,309
*	Lincoln National Life Ins. Co.	Short Term SA14		223,412
*	Lincoln National Life Ins. Co.	Medium Cap Equity SA17		5,364
*	Lincoln National Life Ins. Co.	High Yield Bond SA20		26,338
*	Lincoln National Life Ins. Co.	Balanced SA21		1,931
*	Lincoln National Life Ins. Co.	International Equity SA22		33,765
*	Lincoln National Life Ins. Co.	Large Cap Equity SA23		11,029
*	Lincoln National Life Ins. Co.	Small Cap Equity SA24		1,759
*	Lincoln National Life Ins. Co.	Value Equity SA28		12,935
*	Lincoln National Life Ins. Co.	Conservative Balanced SA30		15,273
*	Lincoln National Life Ins. Co.	Aggressive Balanced SA32		95
*	Lincoln National Life Ins. Co.	Delaware VIP Value SA61		19,230
*	Lincoln National Life Ins. Co.	Guaranteed Account		192,589
*	Lincoln National Life Ins. Co.	LVIP Del Social Awareness SA33		1,762
*	Lincoln National Life Ins. Co.	AmerFunds New Perspective SA34		5,030
*	Lincoln National Life Ins. Co.	Fidelity VIP ContraFund SA35		14,483
*	Lincoln National Life Ins. Co.	AB Small Mid Cap Value SA39		32,379
*	Lincoln National Life Ins. Co.	AmerFunds SMALLCAP World SA46		8,216
*	Lincoln National Life Ins. Co.	AmerFunds Growth America SA48		13,907

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2011

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	AmerFunds Invest Co Amer SA49		\$ 27,785
*	Lincoln National Life Ins. Co.	AmerFunds EuroPac Growth SA54		26,048
*	Lincoln National Life Ins. Co.	Delaware VIP SmCap Value SA56		8,414
*	Lincoln National Life Ins. Co.	Fidelity VIP EquityIncome SA57		19,427
*	Lincoln National Life Ins. Co.	Fidelity VIP Growth SA58		55,155
*	Lincoln National Life Ins. Co.	LVIP Vanguard Intl Equity SA59		2,054
*	Lincoln National Life Ins. Co.	WF Advantage Discovery SA63		2,295
*	Lincoln National Life Ins. Co.	Janus Aspen Enterprise SA64		16,330
*	Lincoln National Life Ins. Co.	Janus Aspen Janus SA70		35,685
*	Lincoln National Life Ins. Co.	MFS VIT Emerging Growth SA65		22
*	Lincoln National Life Ins. Co.	MFS VIT Utilities Series SA67		91
*	Lincoln National Life Ins. Co.	BlackRock Enrgy&Resources SA77		50,796
*	Lincoln National Life Ins. Co.	BlackRock Mid-Cap Value SA83		19,703
*	Lincoln National Life Ins. Co.	BlackRock Large Cap Value SA80		20,949
*	Lincoln National Life Ins. Co.	BlackRock Capital App SA81		2,514
*	Lincoln National Life Ins. Co.	AmerFunds Amer High-Inc SA1C		341
*	Lincoln National Life Ins. Co.	AmerFunds Bond America SA1E		136
*	Lincoln National Life Ins. Co.	LVIP SSgA S&P 500 Index SA27		47,752
*	Lincoln National Life Ins. Co.	LVIP SSgA Small-Cap Index SA36		42,983
*	Lincoln National Life Ins. Co.	Cohen & Steers Gbl REIT SA55		29,302
*	Lincoln National Life Ins. Co.	LVIP Templeton Growth SA62		32,944
*	Lincoln National Life Ins. Co.	Fidelity VIP Mid Cap SA84		2,511
*	Lincoln National Life Ins. Co.	Temp Gblal Bnd Securities SA86		10,422
*	Lincoln National Life Ins. Co.	Del Ltd-Term Div Income SA87		13,592
*	Lincoln National Life Ins. Co.	AC VP Inflation Protect SA92		1,841

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2011

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	Del VIP DiversifiedIncome SA93		\$ 18,766
*	Lincoln National Life Ins. Co.	Del VIP Emerging Markets SA94		14,918
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ConservAll SA95		1,536
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ModeratAll SA96		4,972
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn AggressAll SA97		12,184
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2010 SAL1		1,091
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2020 SAL2		101,569
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2030 SAL3		53,251
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2040 SAL4		33,728
*	Lincoln National Life Ins. Co.	LVIP SSgA Internat'l Indx SAL5		912
*	Lincoln National Life Ins. Co.	SSgA Russ SC Gr Ix Non-Ln SALC		276
*	Participant Loans	Interest rates range from 5.0% to 9.5%, loan periods range from 12 months to 60 months	- 0 -	31,415

(a) An asterisk in this column identified a person known to be a party-in-interest.

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Delinquent Participant Contributions
December 31, 2011

PLAN NUMBER: 001

EIN: 38-3720787

Schedule H Line 4a - Schedule of Delinquent Participant Contributions

Participant Contributions Transferred Late to Plan	Total That Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 117	\$ 117			

**Charter School Services of
Michigan, Inc. Retirement Plan**

**Annual Statement of Net Assets
Available for Benefits
and
Auditors' Report**

December 31, 2011

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statement of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4
Supplemental Schedules	
Schedule of Assets (Held at End of Year)	11
Schedule of Delinquent Participant Contributions	14

Independent Auditors' Report

Board of Directors
Charter School Services of Michigan Inc. Retirement Plan
Pontiac, Michigan

We were engaged to audit the accompanying statement of net assets available for benefit of Charter School Services of Michigan Inc. Retirement Plan as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011 and the supplemental schedules as of and for the year ended December 31, 2011, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Lincoln National Life Insurance Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Yeo & Yeo, P.C.

Saginaw, Michigan
September 28, 2012

Charter School Services of Michigan Inc. Retirement Plan
Statement of Net Assets Available for Benefits

	December 31,	
	2011	2010
Assets		
Investments, at fair value		
Pooled separate accounts	\$ 1,214,375	\$ 1,190,620
Guaranteed interest account	<u>192,589</u>	<u>155,298</u>
Total investments	1,406,964	1,345,918
Receivables		
Employee contributions	8,369	6,170
Employer contributions	4,612	4,002
Participant loans	<u>31,415</u>	<u>30,044</u>
Total receivables	<u>44,396</u>	<u>40,216</u>
Total assets	1,451,360	1,386,134
Liabilities		
Loan overpayment	<u>691</u>	<u>528</u>
 Net assets available for benefits at fair value	 <u>\$ 1,450,669</u>	 <u>\$ 1,385,606</u>
Adjustment from fair value to contract value for fully benefit-responsive investment contract	 <u>-</u>	 <u>(2,274)</u>
 Net assets available for benefits	 <u>\$ 1,450,669</u>	 <u>\$ 1,383,332</u>

See Accompanying Notes to Financial Statements

Charter School Services of Michigan Inc. Retirement Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2011

Additions

Investment income	
Net realized and unrealized appreciation (depreciation)	
in fair value of pooled separate accounts	\$ (38,697)
Interest earned on guaranteed interest account	<u>4,039</u>
Net investment income (loss)	(34,658)
Participant loan interest	1,484
Contributions	
Employee deferrals	191,353
Employer	<u>105,117</u>
Total contributions	<u>296,470</u>
Total additions	263,296
Deductions	
Benefit payments	181,267
Administration fees	<u>14,692</u>
Total deductions	<u>195,959</u>
Net change in assets	67,337
Net assets available for benefits, beginning of year	<u>1,383,332</u>
Net assets available for benefits, end of year	<u><u>\$ 1,450,669</u></u>

See Accompanying Notes to Financial Statements

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Note 1 – Description of the Plan

The following description of the Charter School Services of Michigan Inc. Retirement Plan (Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the plan provisions.

General

The Plan is a defined contribution profit sharing plan covering substantially all employees of Charter School Services of Michigan, Inc. (Company). The Company provides employee leasing services on behalf of charter schools within the State of Michigan. During 2011 and 2010, the Company provided these services to two clients, Pontiac Academy of Excellence and Ojibwe Charter School. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Employees are eligible for plan participation in the elective deferral portion of the plan and discretionary Company non-elective contributions when they have attained the age of 20.5 years. Employees are eligible for the discretionary Company matching contributions when they have attained the age of 20.5 years and have completed one year of service. One year of service is defined as any plan year in which 1,000 hours are worked.

Contributions

Each participant may also elect to defer a percentage of his or her compensation, up to 80 percent for voluntary contributions to the Plan. A maximum deferral of \$16,500 was allowed for 2011 and 2010. Participants who were age 50 and older were allowed to defer an additional \$5,500 for 2011 and 2010.

Discretionary Company non-elective contributions to the Plan are determined by the Board of Directors of the Company and are allocated to each participant based upon a percentage of each participant's annual compensation to the annual compensation of all plan participants. The Company did not provide for a non-elective contribution for the 2011 plan year.

Discretionary Company matching contributions are allocated to each participant based on a percentage of the participant's elective contributions as determined by the Company's Board of Directors. For the 2011 plan year, the Company matched 100% of participant elective contributions up to a maximum of 5% of eligible plan compensation.

Participant Accounts

Each participant's account is credited with the participant's voluntary contributions and an allocation of the Company's contribution, and investment earnings. Allocations are based on participant annual contributions, annual compensation, or account balances as defined per the plan agreement. Allocations are also made in accordance with the investment account elections made by each participant. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Investment Options

Upon enrollment in the Plan, a participant may direct contributions into various pooled separate accounts and a guaranteed interest account (GIA) offered by the Plan. Participants may make changes to their investment options daily.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Vesting

Participants are immediately 100% vested in their voluntary contributions and Company non-elective accounts plus actual earnings thereon. The plan was amended effective July 1, 2006 to change the vesting requirements on Company matching account balances as follows:

Vesting Service (Years)	Vesting %
Less than 2	0%
2 but less than 3	25%
3 but less than 4	50%
4 but less than 5	75%
5 or more	100%

Participant Loans

Participants may borrow against their plan account balance a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance, whichever is less, in accordance with the plan agreement. The loans must bear reasonable rates of interest which are generally consistent with local borrowing rates as of the date of each loan. Principal and interest are paid ratably through payroll deductions over the term of the loan. Interest payments made on the loans are credited as earnings to the participant's account balance. Participant loans are measured at their unpaid principal balance plus any accrued but unpaid interest.

Payment of Benefits

The Plan provides for payment of 100% of the account balance to participants upon normal retirement at age 65, death, or total and permanent disability. Participants terminating employment for any other reason are entitled to receive 100% of their vested account balances and the remaining non-vested portions are forfeited. Per the plan agreement, all distributions from the Plan will be made in a single lump sum payment.

Certain participants may also be entitled to withdraw money from their account prior to termination. If a participant is 59.5 years of age they can elect to withdraw money from accounts which are 100% vested. Participants can also elect to withdraw money in the event of financial hardship if they meet certain conditions as described in the plan agreement.

Forfeitures

At December 31, 2011 and 2010, forfeited non-vested accounts totaled \$15,307 and \$16,437, respectively. Forfeitures of the non-vested portion of terminated participant's accounts will be used to pay any administrative expenses of the Plan. Forfeitures used towards plan expenses in 2011 were \$3,683.

Note 2 – Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed in the preparation of these financial statements.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits and changes in those net assets.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Valuation of Investments and Income Recognition

The Plan's investments are held in pooled separate accounts and a GIA through Lincoln National Life Insurance Company (Lincoln), the custodian. Investments are stated at fair market value. See Note 4 for discussion on the GIA and Note 5 for discussion of fair value measurement.

The unrealized appreciation (depreciation) in the pooled separate accounts represents the change in the aggregate fair value of investments during the plan year. The realized gain (loss) in the investments is the difference between the proceeds received and the adjusted book value of the investment at the date of sale. The unrealized appreciation (depreciation) and realized gain (loss) are reported net on the statement of changes in net assets available for benefits. Investment expenses are directly deducted against participants' individual account balances. Earnings on the GIA is the interest credited to participant accounts.

Receivables

Receivables consist of employee and employer contributions receivable, including participant loans receivable. No allowance was recorded as the full balance is deemed collectible.

Payment of Benefits

Benefits are recorded when paid.

Administrative Costs

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Some administrative expenses for the Plan are paid directly by the Company.

Subsequent Events

Management has evaluated subsequent events through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued.

Note 3 – Investments

The fair value of individual investments that exceed 5 percent of the Plan's net assets are as follows:

	2011	2010
Lincoln National Life Insurance Company		
Short term	\$ 223,412	\$ 185,046
Guaranteed interest account	198,737	155,298
Blackrock Energy & Resources	*	77,786
LVIP Protected Profile 2020	101,569	80,563

* Did not exceed 5% of net assets at this date

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Note 4 – Investment Contract with Insurance Company

As described in US GAAP, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

The Plan's investment options include a GIA. The GIA is deemed to be fully benefit responsive. Contributions made to the GIA are invested in a Lincoln separate investment account. The assets of the separate investment account are separate from Lincoln general investment account. The GIA is credited a guaranteed rate that is reset semi-annually or quarterly. The rates established are unique to each contract and are based on contributions, withdrawals, and expense activity within each contract. The guaranteed crediting rate cannot be reset below 0%, at a minimum. Therefore, each participant's principal is guaranteed while the contract is in force. Based on the information provided by Lincoln, the contract value of the account approximates the fair market value as of December 31, 2011 and 2010. Events that limit the Plan's ability to execute transactions at contract value with the issuer include plan termination, market value adjustments and surrender charges. The plan administrator does not believe that the occurrence of any such event is probable.

Participants should refer to the contract for further details covering the interest crediting methods. The average yields earned by the fund for the year ended December 31, 2011 and 2010 were as follows:

Average Yields:	2011	2010
Based on actual earnings	3.37%	3.71%
Based on interest rate credited to participants	3.37%	3.71%

Note 5 – Fair Value Measurements

US GAAP provides a definition of fair value which focuses on an exit price rather an entry price, establishes a framework for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with US GAAP, the Plan may use valuation techniques consistent with the market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, US GAAP establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under US GAAP are described as follows:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the assets or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

The following are descriptions of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Pooled separate accounts: these investments are valued using the net assets value (NAV) of units held by the Plan at year end as provided by Lincoln. The NAV is based on the fair value of the underlying assets owned by the fund, net of the investment management fee. The investment management fee is deducted prior to setting the daily unit value.

Guaranteed interest account: valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

		Fair Value Measurements at Reporting Date Using		
	Fair Value	Level 1	Level 2	Level 3
<u>December 31, 2011</u>				
Pooled separate accounts				
Growth	\$ 226,946	\$ -	\$ 226,946	\$ -
Foreign	75,480	-	75,480	-
Value	139,071	-	139,071	-
Bond	319,735	-	319,735	-
Blend	32,645	-	32,645	-
Balanced	17,299	-	17,299	-
World stock	13,246	-	13,246	-
Utilities	91	-	91	-
Equity energy	50,796	-	50,796	-
Index	91,011	-	91,011	-
Global real estate	29,302	-	29,302	-
World bond	10,422	-	10,422	-
Allocation	208,331	-	208,331	-
Guaranteed interest account	192,589	-	-	192,589
Total	<u>\$ 1,406,964</u>	<u>\$ -</u>	<u>\$ 1,214,375</u>	<u>\$ 192,589</u>
<u>December 31, 2010</u>				
Pooled separate accounts				
Growth	\$ 271,495	\$ -	\$ 271,495	\$ -
Foreign	98,133	-	98,133	-
Value	117,805	-	117,805	-
Bond	259,073	-	259,073	-
Blend	38,818	-	38,818	-
Balanced	16,555	-	16,555	-
World stock	23,372	-	23,372	-
Utilities	372	-	372	-
Equity energy	77,786	-	77,786	-
Index	86,491	-	86,491	-
Global real estate	33,481	-	33,481	-
World bond	8,484	-	8,484	-
Allocation	158,755	-	158,755	-
Guaranteed interest account	155,298	-	-	155,298
Total	<u>\$ 1,345,918</u>	<u>\$ -</u>	<u>\$ 1,190,620</u>	<u>\$ 155,298</u>

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2011

Total plan investment assets as of December 31, 2011 and 2010, at fair value classified within level 3 were \$192,589 and \$155,298, respectively, which primarily consist of the Plan's GIA. Such amounts were approximately 13.69% and 11.54% of total investment assets on the Plan's statement of net assets available for benefits at fair value as of December 31, 2011 and 2010, respectively.

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 investment assets for the year ended December 31, 2011. As reflected in the table below, the net unrealized gain (loss) on Level 3 investment assets was \$(2,274) and was related to the GIA held by the Plan.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

Description	Beginning balance	Total gains (losses)	Interest credited	Purchases	Sales	Ending balance
Guaranteed interest account	\$ 155,298	\$ (2,274)	\$ 4,039	\$ 41,146	\$ (5,620)	\$ 192,589

Note 6 – Related Party Transactions

Plan investments include pooled separate accounts and a GIA managed by Lincoln, the custodian of the Plan. Peritus Benefits and Investments, Inc., the third party administrator of the Plan, provides administration services for the Plan. These transactions qualify as party-in-interest. Management and administration fees totaling \$14,692 were paid to the custodian and third party administrator by the plan during 2011.

Note 7 – Plan Assets

The Plan's investment assets, transactions, and income were held and certified by Lincoln, the custodian, as of and for the years ended December 31, 2011 and 2010, respectively.

Note 8 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the plan agreement to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In event of termination, participants become 100% vested in the current account balances.

Note 9 – Income Tax Status

The prototype plan obtained its latest opinion letter in September 2001, in which the Internal Revenue Service stated that the prototype plan, as then designed, was in compliance with the applicable requirements of the IRC. The prototype plan has been amended since receiving the opinion letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Plan files informational returns in the U.S. federal jurisdiction. The statute of limitations is generally three years for federal returns.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2011

Note 10 – Risks and Uncertainties

The Plan provides for various investment securities, such as pooled separate accounts. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for plan benefits.

Note 11 – Prohibited Transactions

It was discovered during the Plan's 2010 audit that the plan sponsor failed to remit to the Plan payroll withholdings for a number of participants for several pay periods totaling \$117 which is disclosed in the attached supplemental schedule. The plan sponsor intends to determine the effect on the entire population and the actual contribution that they failed to submit. The plan sponsor also plans to remit these withholdings to the Plan in 2012 and fund the affected participant accounts for potential lost earnings. This failure to remit participant contributions qualifies as a nonexempt prohibited transaction.

Note 12 – Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

	December 31,	
	2011	2010
Net assets available for benefits per the financial statements	\$ 1,450,669	\$ 1,383,332
Less: Adjustment from fair value to contract value for fully benefit-responsive investment contract	-	2,274
Net assets available for plan benefits per Form 5500	<u>\$ 1,450,669</u>	<u>\$ 1,385,606</u>

The following is a reconciliation of the change in net assets available for plan benefits per the financial statements to the Form 5500:

	Year ended December 31, 2011	
Net change in assets available for benefits per the financial statements	\$	67,337
Less: Change in adjustment from fair value to contract value for benefit-responsive investment contract		<u>(2,274)</u>
Net change in assets available for plan benefits per Form 5500	<u>\$</u>	<u>65,063</u>

Note 13 – Subsequent Events

Effective July 1, 2012, Ojibwe Charter School was no longer utilizing the employee leasing services of the Company, and, therefore, all participant account balances for Ojibwe Charter School were transferred out of the Plan and into a new plan with a different investment provider in 2012.

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2011

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	LVIP Mid-Cap Value SA38		\$ 2,481
*	Lincoln National Life Ins. Co.	LVIP Vanguard Domestic Eq SA19		16,488
*	Lincoln National Life Ins. Co.	LVIP T.Rowe Growth Stock SA29		5,628
*	Lincoln National Life Ins. Co.	AB Global Thematic SA31		12,701
*	Lincoln National Life Ins. Co.	Core Equity SA11		2,565
*	Lincoln National Life Ins. Co.	Gov't/Corporate Bond SA12		35,309
*	Lincoln National Life Ins. Co.	Short Term SA14		223,412
*	Lincoln National Life Ins. Co.	Medium Cap Equity SA17		5,364
*	Lincoln National Life Ins. Co.	High Yield Bond SA20		26,338
*	Lincoln National Life Ins. Co.	Balanced SA21		1,931
*	Lincoln National Life Ins. Co.	International Equity SA22		33,765
*	Lincoln National Life Ins. Co.	Large Cap Equity SA23		11,029
*	Lincoln National Life Ins. Co.	Small Cap Equity SA24		1,759
*	Lincoln National Life Ins. Co.	Value Equity SA28		12,935
*	Lincoln National Life Ins. Co.	Conservative Balanced SA30		15,273
*	Lincoln National Life Ins. Co.	Aggressive Balanced SA32		95
*	Lincoln National Life Ins. Co.	Delaware VIP Value SA61		19,230
*	Lincoln National Life Ins. Co.	Guaranteed Account		192,589
*	Lincoln National Life Ins. Co.	LVIP Del Social Awareness SA33		1,762
*	Lincoln National Life Ins. Co.	AmerFunds New Perspective SA34		5,030
*	Lincoln National Life Ins. Co.	Fidelity VIP ContraFund SA35		14,483
*	Lincoln National Life Ins. Co.	AB Small Mid Cap Value SA39		32,379
*	Lincoln National Life Ins. Co.	AmerFunds SMALLCAP World SA46		8,216
*	Lincoln National Life Ins. Co.	AmerFunds Growth America SA48		13,907

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2011

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	AmerFunds Invest Co Amer SA49		\$ 27,785
*	Lincoln National Life Ins. Co.	AmerFunds EuroPac Growth SA54		26,048
*	Lincoln National Life Ins. Co.	Delaware VIP SmCap Value SA56		8,414
*	Lincoln National Life Ins. Co.	Fidelity VIP EquityIncome SA57		19,427
*	Lincoln National Life Ins. Co.	Fidelity VIP Growth SA58		55,155
*	Lincoln National Life Ins. Co.	LVIP Vanguard Intl Equity SA59		2,054
*	Lincoln National Life Ins. Co.	WF Advantage Discovery SA63		2,295
*	Lincoln National Life Ins. Co.	Janus Aspen Enterprise SA64		16,330
*	Lincoln National Life Ins. Co.	Janus Aspen Janus SA70		35,685
*	Lincoln National Life Ins. Co.	MFS VIT Emerging Growth SA65		22
*	Lincoln National Life Ins. Co.	MFS VIT Utilities Series SA67		91
*	Lincoln National Life Ins. Co.	BlackRock Enrgy&Resources SA77		50,796
*	Lincoln National Life Ins. Co.	BlackRock Mid-Cap Value SA83		19,703
*	Lincoln National Life Ins. Co.	BlackRock Large Cap Value SA80		20,949
*	Lincoln National Life Ins. Co.	BlackRock Capital App SA81		2,514
*	Lincoln National Life Ins. Co.	AmerFunds Amer High-Inc SA1C		341
*	Lincoln National Life Ins. Co.	AmerFunds Bond America SA1E		136
*	Lincoln National Life Ins. Co.	LVIP SSgA S&P 500 Index SA27		47,752
*	Lincoln National Life Ins. Co.	LVIP SSgA Small-Cap Index SA36		42,983
*	Lincoln National Life Ins. Co.	Cohen & Steers Gbl REIT SA55		29,302
*	Lincoln National Life Ins. Co.	LVIP Templeton Growth SA62		32,944
*	Lincoln National Life Ins. Co.	Fidelity VIP Mid Cap SA84		2,511
*	Lincoln National Life Ins. Co.	Temp Gblal Bnd Securities SA86		10,422
*	Lincoln National Life Ins. Co.	Del Ltd-Term Div Income SA87		13,592
*	Lincoln National Life Ins. Co.	AC VP Inflation Protect SA92		1,841

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2011

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	Del VIP DiversifiedIncome SA93		\$ 18,766
*	Lincoln National Life Ins. Co.	Del VIP Emerging Markets SA94		14,918
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ConservAll SA95		1,536
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ModeratAll SA96		4,972
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn AggressAll SA97		12,184
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2010 SAL1		1,091
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2020 SAL2		101,569
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2030 SAL3		53,251
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2040 SAL4		33,728
*	Lincoln National Life Ins. Co.	LVIP SSgA Internat'l Indx SAL5		912
*	Lincoln National Life Ins. Co.	SSgA Russ SC Gr Ix Non-Ln SALC		276
*	Participant Loans	Interest rates range from 5.0% to 9.5%, loan periods range from 12 months to 60 months	- 0 -	31,415

(a) An asterisk in this column identified a person known to be a party-in-interest.

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Delinquent Participant Contributions
December 31, 2011

PLAN NUMBER: 001

EIN: 38-3720787

Schedule H Line 4a - Schedule of Delinquent Participant Contributions

Participant Contributions Transferred Late to Plan	Total That Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 117	\$ 117			