Morningstar Office 3.10
Release Notes
May 2011

Table of Contents

Client Information Management

Password Security Initiative
We have increased our security requirements for login passwords. The following restrictions now apply:

- Passwords must be at least eight characters in length (increased from six).
- Passwords must include at least one lowercase letter.
- Passwords must include at least one uppercase letter.
- Passwords must include at least one number.

If your current password does not meet these security standards, you will be prompted to change your password, but you will have five grace logins before the password change becomes mandatory.

Batch Document Upload Capability
The Batch Document Upload tool has been added to the Tools menu within the Client and Account screens. Documents uploaded from within a Client or Account are assigned to that client by default, but the list of clients can be customized.

Remove Members from Households
It is now easier to remove a member from a household. All accounts assigned to that member will be moved as well.

To create a new client from a member of a household, open the household record and then open the Members screen. Select the member you would like to separate and then click **Action > Create New Client from Member**. The member will be removed from the household and will be created separately as a client.

To move a member from one client to another, select the member and click **Action > Move Member to Existing Client**.

Delete Client Option Moved
The Delete Client option has been moved from the main Action menu to the Edit menu, making it harder to delete a client accidentally. In addition, a dialog box dialog box will appear if you select Delete Client, asking you to confirm the action.
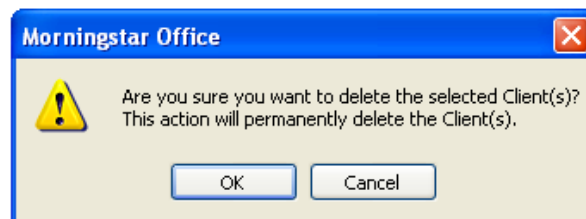
Client Rank and Contract Signed Date Added to Institutional Client Profile
The Client Rank and Contract Signed Date fields have been added to the client profile window for institutional clients.

Client Web Portal

Overview Tab
You can now display a customized dashboard on each client's Web Portal. The dashboard is called the "Overview" tab and can include up to six elements:

- **Top 5 Holdings:** Data table showing the client's top five positions. Market value and % of total assets is also displayed for each holding.
- **Accounts:** Data table listing all of the client's accounts and current market value.
- **Asset Allocation:** Pie chart displaying client aggregate asset allocation (broad asset classes), along with market value and % of total for each asset class.
- **Net Worth:** Pie chart showing breakdown of taxable, tax-free, tax-deferred and non-investment holdings. Taxable status for accounts is drawn from the account type setting within the Account Profile. Any assets entered in the Financial Info section of the Client Profile are included as well.
- **Net Worth Summary:** Bar chart displaying total Portfolio Assets, Other Assets, Liabilities and Net Worth.
- **Investment World Regions Breakdown:** Shaded map displaying the percentage of assets held from different world regions.

To activate the Overview screen for all Client Web Portals, do the following:
1. Click **Home > Settings > Client Web Portal Settings > Component Settings**.
2. Check the box labeled **Enable Aggregate Component section on Web Portal**.
3. In the mock-up view, choose which component to display in each of the six available cells using the drop-down menu.
4. To leave a cell blank, select **Empty**.

To customize the as-of date used to retrieve data for the Overview components, select an option from the **As-of Date for Data** drop-down menu. Options include Last Year/Quarter/Month/Day End, as well as Last Modified Date.

Advisor View
You can now log into any client's Web Portal. From the global toolbar, select **Tools > Launch Web Portal**. When the Web Portal is accessed via this path, you will be logged in under Advisor View. This view includes a Target Client drop-down menu at the top of the screen, where you can select which client's Web Portal to view.

Upload MP3 files

You can now upload MP3 files into the Reports area and then post them to the Client Web Portal to be played on the website. To upload an MP3 to a client web portal, follow these steps:

1. From the global toolbar, click **Tools > Batch Document Upload**.
2. In the window that opens, click **Add Files**.
3. In the next window, navigate to the location where the MP3 is saved and click **Open.**
4. Use the **Client** drop-down menu to select the clients with whom you plan to share the file.
5. Click **Upload & Post** to add the MP3 file to your reports archive and simultaneously post it to the client's web portals.
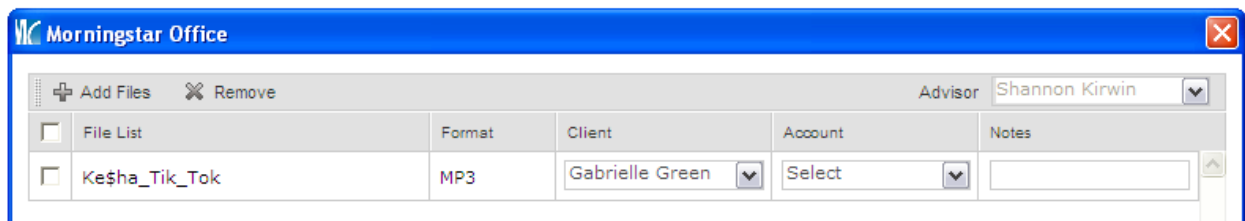
The client can play the audio file directly from the web portal by double-clicking on it.

Client/Portfolio Management

Account Termination Date and Account Termination Reason Added to Account Profile

Account Termination Date and Account Termination Reason fields have been added to the Account Profile Area. Account Termination Date does not affect reports and is not to be confused with Account Closed Date, which does affect reports.

Account Profile: New Fields for Account Manager Information

Within the Account Profile, the old Account Managed By drop-down menu (with options for either Broker/Dealer or Advisor has been changed to Business Type. In addition, a new text field has been added under the name Account Managed By, where the you can enter the name of the advisor managing the account.

Transaction Wizard: Tax Lot Selection Screen Displays Original Cost Basis
When editing a Sell transaction to specify the tax lot being sold, you can now view the original cost basis of all available open lots.

Add Prospect Accounts to Groups
It is now possible to add a Prospect's account to a Group.

Include Inactive Securities and User-Defined Securities in Staged Benchmarks
It is now possible to search for inactive and user-defined securities when adding holdings to a custom staged benchmark.

Transaction Drop-Down Menu Ordered Alphabetically
In transactional accounts, the menu items in the Transactions drop-down are now ordered alphabetically.

Accrued Interest Bought/Sold Transaction Types Enabled for UITs
You can now use Accrued Interest Bought and Accrued Interest sold for Unit Investment Trusts in transactional accounts.

Sort by Share Quantity, Amount
In transactional accounts, you can now double-click on the Share Quantity and Amount column headings to sort by these values.

Holdings Summary: "Reports" Changed to "Security Reports"
Within the Action Menu in the Holdings Summary view, the item "Reports" has been renamed to "Security Reports" to eliminate confusion.

Find Transactions Results Screen Now Displays Comments and Account Number
Comments and Account Number have been added to the data points displayed in the "Find Transactions" result screen (**Tools > Find > Find Transactions**).

"View Prices" Now Displays Factors for All Fixed Income Securities
The prices database that is displayed when you right-click on a security within an account Holdings Summary and selects "View Prices" now displays the daily factor, if relevant. Previously, only the daily price was surfaced.

Research

New Bonds Universe
The new Bond universe in Research includes 1.6 million bonds and is divided into 54 searchable sub-universes:
- US Corporate Bonds
- US Government Bonds: Agency
- US Government Bonds: TIPS
- US Government Bonds: Treasury
- 50 municipal bond universes

The following views are available:
- Snapshot
- Pricing and Yield
- Returns (Month-End)
- Returns (Quarter-End)

A total of 52 data points will be searchable, and 50 will be displayed.

New Equity Sectors
Morningstar is reworking its entire global equity classification system, beginning at the industry level and extending up to the sector and super-sector levels. These changes include the elimination of 79 industry types and the introduction of 14 new ones. The number of industry types is going from 213 to 148. In addition to the industry changes, new sectors and super-sectors will be implemented. There will be 11 sectors under the new system, based on companies' economic sensitivity. There will still be three super sectors, but these have also been reworked based on sensitivity to economic cycles.

Old Sectors	New Sectors
Information Economy Software Hardware Media Telecommunications	**Cyclical** Basic Materials Consumer Cyclical Financial Real Estate
Service Economy Health Care Consumer Services Business Services Financial Services	**Defensive** Consumer Defensive Healthcare Utilities
Manufacturing Economy Consumer Goods Industrial Materials Energy Utilities	**Sensitive** Communication Services Energy Industrials Technology

The new classification system is more intuitive and adds a more global perspective to our research. It also has some important elements in common with the widely used S&P GICS, which simplifies comparison. Overall, our revised system is more logical, allows for intelligent diversification, and makes it easier to understand the decisions made by portfolio managers. It presents a robust classification tool in line with both macro-economic factors as well as global market developments.

View a PDF of the new global equity classification methodology.

Impact of Sector Changes on Criteria Searches
In Morningstar Office 3.10, the old equity sectors will no longer be available as search criteria within Research and Workspace. Only the new sectors will be available when creating new criteria searches. If you have created and saved criteria searches that included old sectors, the system will be able to run these saved searches until approximately October 2011, at which point the old sectors will be completely retired and these saved searches will cease to function. We encourage you to replace saved sector searches with new searches that use the new equity sectors.

Equity Sector Exposure View
In Research, a new "Equity Sector Exposure" data view is now available for all universes except Bonds, and includes exposure statistics for all 11 new sectors and all three new super sectors.

Investment Reports and Charts

Fixed Income Investment Detail Report
The new Investment Detail Report is available for all bonds in the new bond database. This report can be accessed from within Research or an account Holdings Summary by right-clicking on a bond and selecting **Reports > Investment Detail Report**. Within an account Holdings Summary, double-click on a bond. Both Morningstar-tracked bonds and user-defined bonds mapped to Morningstar bonds have these capabilities.

Growth, Total Return Charts for Bonds
The new bond universe includes the ability to generate Growth and Total Return charts. These can be accessed by selecting securities and then clicking **Action > Charts**, or by right-clicking on a bond.

Reports Affected by Sector Changes
The following reports currently display the old sector delta, names and symbols. Starting in 3.10, they will display the new sector delta, names and symbols.

Report Name	Affected Sections
X-Ray	Stock sectors
Snapshot (New format)	Stock sectors, Investment Details (Industry, Sector)
Snapshot (Classic format)	Sector weightings
Stock Intersection (PDF/HTML)	Stock sectors
Compare with Model Compare Accounts Compare Model Portfolios	Stock sectors, Top 25 stocks (Sector)
Account Overview	Sector weightings
Account Summary	Portfolio Analysis → Stock Sectors
DC Plans: Plan Status	Plan Assets → Stock Sectors, Stock Intersection, Disclosure.
DC Plans: Plan Comparison Report	Stock Intersection
Research: X-Ray	Stock sectors, Top 25 stocks (Sector)
Research: Average Detail Report	Sector weightings
Report Studio Reports	Portfolio Evaluation, Security Asset class, Security Equity Sector

New Hedge Fund and Alternative Fund Categories
In order to provide a more effective basis for comparison among hedge funds, the Hedge Fund universe has been reorganized into 16 new Morningstar categories. Additionally, in order to enhance the classification for alternative-strategy open-end funds that imitate hedge funds, 10 new Morningstar categories have been added to the open-end fund universes:

- Managed Futures
- Multialternative
- Trading - Inverse Commodities
- Trading - Inverse Debt
- Trading - Inverse Equity
- Trading - Leveraged Debt
- Trading - Leveraged Equity
- Trading - Miscellaneous
- Trading - Leveraged Commodities
- Volatility

New Cash Exposure View Added to All Fund Universes
All fund universes now include the Cash Exposure View, which includes the following data points:

- Name
- Portfolio Date
- Government %
- Government Sponsored Enterprise/Agency %
- Municipal %
- Corporate %
- Agency Mortgage Backed %
- Non Agency Mortgage Backed %
- Asset Backed %
- Floating-Rate Note %
- Commercial Paper %
- Repurchase Agreement %
- Time Deposit/CD %
- Money Market Fund %
- Currency, Including Derivatives %
- Cash %
- Derivative Cash Offset %
- Other %
- Cash Rescaling Factor

New Data Points in Fees and Expenses View
In the US Mutual Funds universe, the following data points were added to the Fees and Expenses grid view:
- Morningstar Fee Level Group
- Morningstar Fee Level
- Morningstar Fee Level % Rank

Missing Territories Added to Fixed Income Muni Sector Exposure View
For US Mutual Funds, the following issuing territories (and two countries) were added to the FI Muni Sector Exposure view:

- American Samoa
- District of Columbia
- Guam
- Marshall islands
- Northern Mariana Islands
- Puerto Rico
- US Virgin islands
- Federated States of Micronesia
- Palau

SMID Cap Fund Data Point Added to Operations View
The data point "SMID Cap Fund (Yes/No)" is being added to the Operations view for US Mutual Funds, Closed End Funds, ETFs, Separate Accounts and Insurance Products. SMID cap funds have a focus on small and mid-sized fund companies. This focus is detailed in the Investment Objective section of the fund's prospectus and/or in the fund name. This tag is defined based on fund-level prospectus data, which highlights that the fund's strategy to purchase small- and mid-cap stocks. This might include buying small- and mid-cap stocks consistently, moving between small- and mid-cap stocks, or buying mid-cap stocks with a small-cap flavoring.

New Data Points in Stocks Snapshot View
For all stock universes, the following data points, relating to the most recent dividend paid, were added to the Snapshot view:

- Dividend Declare Date
- Dividend Record Date
- Dividend Payable Date

Five-Year Average Dividend Yield Added to Valuation View for Stocks
Five-Year Average Dividend Yield has been added to the Valuation view for all Stock universes.

Data Points Added to Return Views
2 Month Return and 2 Year Return have been added to the Return (Month-End) and Return (Quarter-End) views for all universes.

Primary Share Data Point Added to Snapshot View for Open End Funds and Hedge Funds
Primary Share (Yes/No) has been added to the Snapshot view for Open End Funds and Hedge Funds. This column indicates via whether or not the share class listed is the primary class. For open end funds, it is used for share classes that are listed in multiple currencies, only one of which is designated as the primary class. For hedge funds, the primary share class is the oldest share class of the fund.

Data Points Added to Morningstar Ratings and Grades View
The following data points have been added to the Morningstar Ratings and Grades view for all universes:

- Morningstar Return Rating Overall
- Morningstar Risk Rating Overall
- Morningstar Risk-Adjusted Return Overall
- Morningstar Return Overall
- Morningstar Risk Overall

Serbia and Montenegro Now Separate Countries in Search by Criteria
In the Search by Criteria tool, Serbia and Montenegro are now listed as separate countries.

Quicktakes

Analysis, Historical Analysis Screen Redesign
The Analysis and Historical Analysis screens have been redesigned to resemble the Morningstar.com interface. This Historical Analysis screen displays the author, title, star rating and date of every available historical analysis.

Print This Page
can now directly print the content of a particular page within the Quicktake report by clicking **Print This Page**.
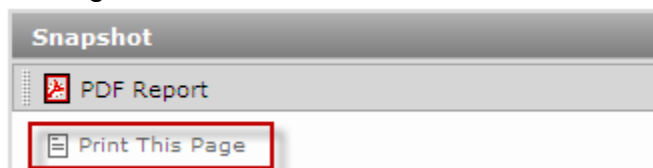
PDF/Print preview is not available via this function, but you still have the ability to open the previous version of the Quicktake in PDF format to view and print by clicking **PDF Report**.

Transcripts Added for US Stocks
Transcripts from earnings calls are now available within the Quicktake for US stocks in the Transcripts section.

New Quicktake Implemented for ETFs, Global Closed-End Funds
The new, interactive Quicktake is now available for US and offshore mutual funds, US and global closed-end funds, and US and global ETFs as well as US, Canadian and Indian stocks.

Report Studio
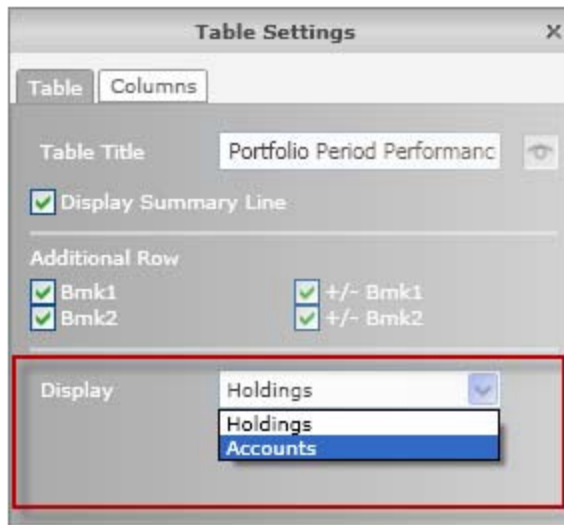
New Report Component: Performance by Account
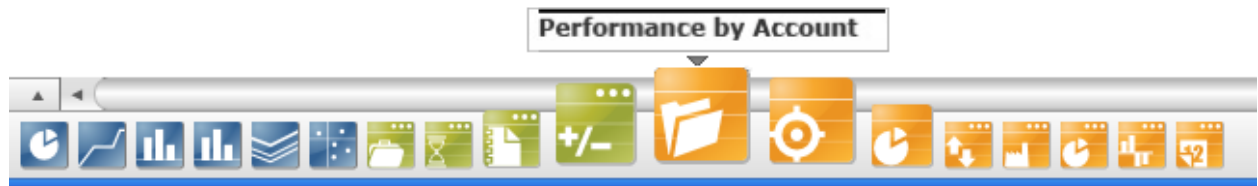
This new feature displays return statistics at the account level and can be included in reports at the client aggregate or individual account level. The following data points are displayed by default:

- Account Number
- Beginning Market Value
- Additions
- Withdrawals
- Interest income
- Dividend Income
- Ending Market Value
- Money Weighted Return

The aggregate portfolio performance is also compared against the primary and secondary benchmarks. This component can display up to 50 lines (45 accounts + aggregate and two benchmarks).

Portfolio Evaluation/Holding Period Performance Components: Option to Show Account-Level Data
The Portfolio Evaluation and Holding Period Performance report components shows security-level return statistics. These data tables can now be changed via the Settings tab to show account-level statistics.

The Portfolio Period Performance component contains two data points—Capital Inflows and Capital Outflows—which make sense for reporting at the security level but not at the account level. **Capital Inflows** measure the total amount of a security purchased or reinvested, including all internal cash flow. **Capital Outflows** measures all sales or dividend/interest payments derived from the security, including internal cash flow. At the account level, these data points will display the sum total all cash movements both internal and external, for the entire account. You are discouraged from employing these two data points at the account level.

Security Asset Allocation/Equity Sector Component: Portfolio Date Column
We have added a "Portfolio Date" column to the Security Asset Allocation and Security Equity Sector components showing the as-of date for the portfolio data displayed. This is the date as of which the most recent underlying holdings data were provided by the fund company.

Trailing Bar Chart, Security Trailing Returns Table: Option to Display As-Of Date
You can choose to display the as-of date for trailing return bar charts by checking the box labeled **As of Date** on the Chart Settings tab.

Asset Allocation Pie Chart: Option to Display Broad Asset Classes
In addition to the three asset classes sets available by default, you can now display asset allocation using broad asset classes (US Stock, Non-US Stock, Bonds, etc) in the Asset Allocation Pie Chart component.

Investment Growth Chart: Option to Display Monthly Values
By default, the growth chart displays daily cumulative TWR data. You now have the option to
change this to show monthly data via the Chart Settings tab.
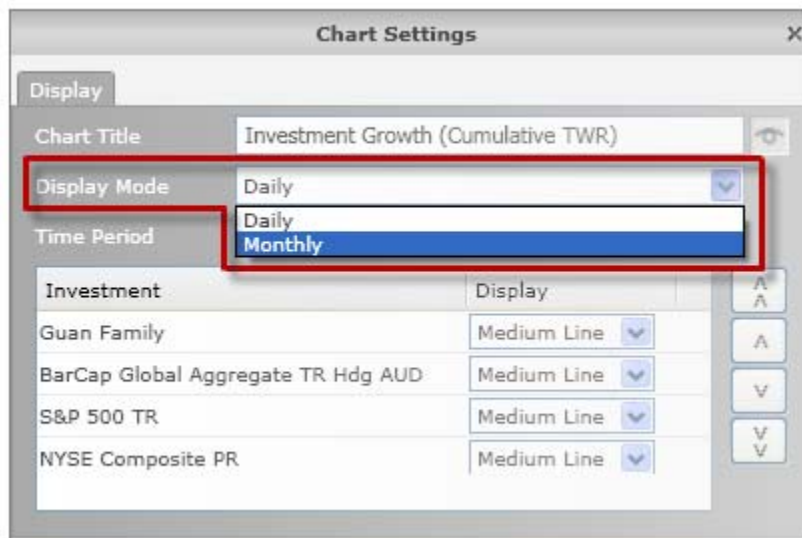

Header and Footer: Apply to All Functionality
You can now apply a header or footer to all pages by right-clicking on the component and selecting
Apply to Template.

Ruler View and Axis Scaling
Report Studio now includes a ruled border, so you can precisely measure component and margin
scaling. To add or remove the page ruler, right-click on the margin of a page and select **Ruler
on/off**. To adjust the width of a margin, click on the margin outline and drag it to the desired width.

Color Customization
Color borders, fonts, grids and backgrounds can now be customized for individual components
within a report, as well as for headers/footers and entire pages. To add access the custom color
menu, right-click on a report element.
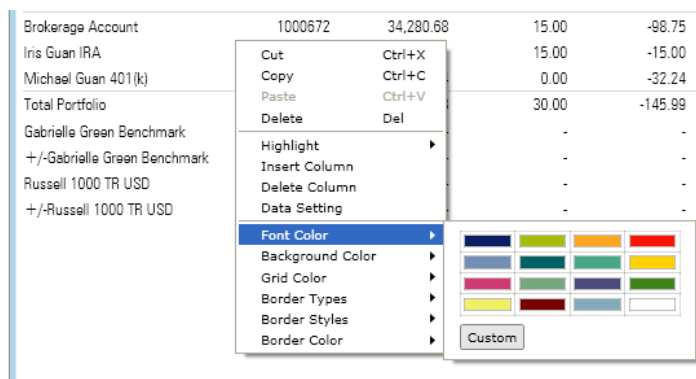
"Source: Morningstar Office" Text Added to Report Studio Templates

The words "Source: Morningstar Office" are now included by default at the bottom of every Report Studio template. To remove these words, open the Home toolbar, then click **Template > Layout** or open Application Settings and uncheck the **Source: Morningstar Office** box.
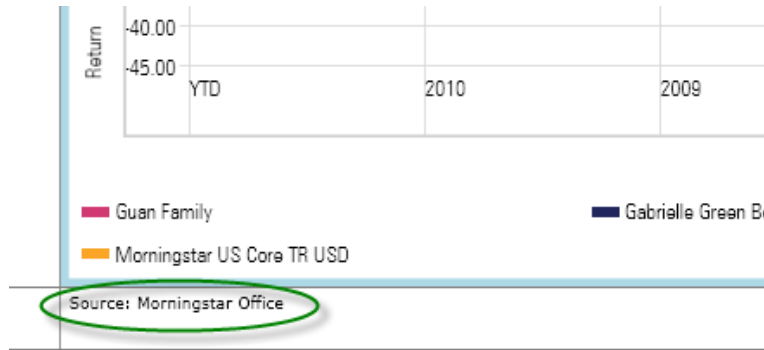
Bar Charts: Option to Display Numerical Values
You can choose to display numerical values alongside above and below bars within bar charts by checking the **Values** box on the Chart Settings tab.
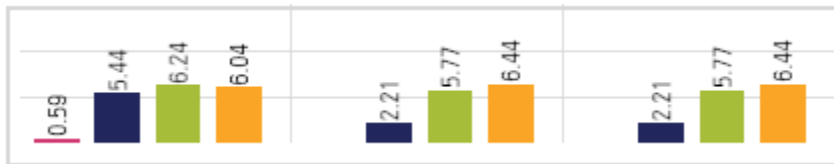
Paper Size Options
Within **Global Settings → Layout**, you can now choose either US Letter or A4 from the Paper Size drop-down menu.

Custom Benchmarks in Report Studio Templates
Report Studio templates are now able to display custom benchmarks.

Client/Account Default Benchmarks Automatically Update in Report Studio Reports
When a custom report template is created or edited in Report Studio, the benchmarks automatically used are the benchmarks assigned to the client or account currently included in the template. Previously, if the client or account was changed during editing, these benchmarks did not change automatically. Furthermore, if you manually changed the benchmark being displayed in a custom report during the editing process, the benchmarks used became permanently locked for the report template, and became the benchmarks used in every client's reports during the Batch Reporting process.

Now, if you change the client or account being used while editing a report, the benchmarks displayed will automatically switch to the new client/account's default benchmark settings. Furthermore, if you manually change the benchmark being used while editing, this will not interfere with batch reporting.

Gross of Fees/Net of Fees Return Calculations
If you have chosen the return calculation setting Gross of Fees and you subsequently add a report component that contains the Return Net of Fees element, the proper return data will be displayed.

Portfolio Reporting

New 13(F) Holdings Report
Form 13(F) is a report required by the SEC to be filed by investment managers with at least $100 million under management. The SEC website maintains a list of "13(F) securities" on its website, including stocks, ETFs, closed-end funds and some warrants and convertible debt securities. Managers must report how much of each security on the list they currently hold. The list is updated quarterly and Morningstar Office accesses the appropriate SEC list when generating the report.

To generate this report, click **Reports (Global Toolbar) > SEC Filing reports > 13F Holdings Report.**

You can omit positions under 10,000 shares and $200,000 by checking **Omit Small Positions** in the Report Options dialog box.

New Report: Portfolio Performance History
This report is a variation of the Benchmark Comparison Report, but does not include any category benchmark data. To generate this report within an account, click **Reports > Performance >**

Performance > Benchmark Comparison. Then, in the report options dialog box, check the **Display without benchmarks** box.

Chart Options on Client Return Summary

You can now include either a TWR graph or an IRR-friendly growth chart in the Client Return Summary. The Investment Growth Chart displays account balance (shaded area) vs. cumulative contributions (line).
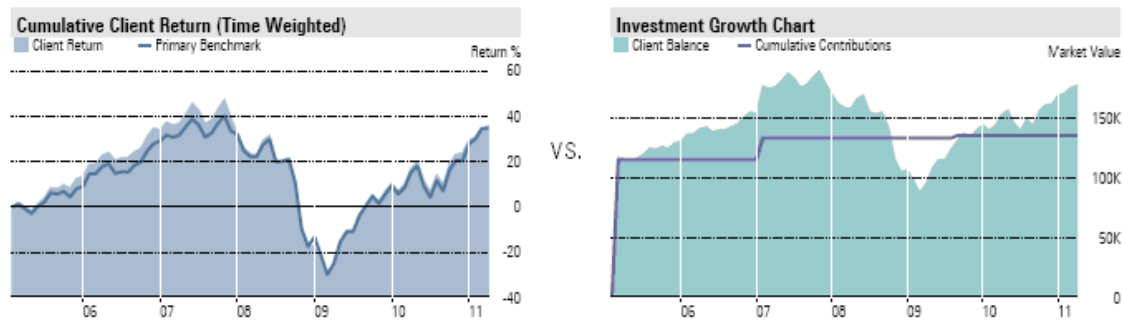

To include a chart, check the **Investment Graph from Inception Date** box, then choose which graph to use from the Investment Graph drop-down menu.

New Asset Class Options for Benchmark Comparison, Portfolio Current Value, Unrealized Gain/Loss Reports

You now have the following options for grouping securities when generating these reports:

- Group by Asset Class (i.e. Morningstar category)
- Group by Broad Asset Class
- Group by Super Asset Class/Security Type
- Group by Super Asset Class/Security Type & Sub-Group by Equity Sector/Category Asset Class
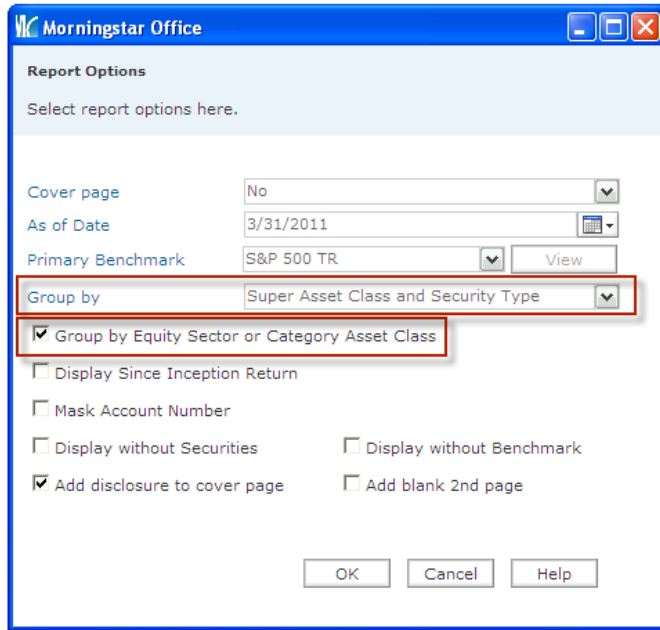
To choose a grouping method, use the **Group By** drop-down menu in the Report Options dialog box. After choosing Super Asset Class/Security Type, you can add Equity Sector/Security Type sub-classification by checking the box labeled "Group by Equity Sector or Category Asset Class."

On the Unrealized Gain/Loss Report, the option to group by Super Asset Class/Security Type is only available if the option to consolidate individual lots is already checked. This grouping option is not available when displaying lots individually.

Unrealized Gain/Loss Report: G/L data dashed out if Cost Basis Information Unavailable
Previously, the Unrealized Gain/Loss Report assumed a cost basis of $0.00 when none was provided. This logic has been changed for Unrealized Gain/Loss reports only. If no cost basis information is available for a lot, the lot is dashed out on the Unrealized G/L report.

If cost basis is unavailable for a tax lot, individuals are required to assume a cost basis of $0.00 when reporting realized gains to the IRS. This logic was thus previously used in the Unrealized Gain/Loss reports. However, since Unrealized Gain/Loss reports are used primarily for client reporting purposes and not for tax accounting, some users requested that the lots simply be dashed out when no cost basis is available. Logic for realized Gain/Loss Reports has not changed.

Account Summary: Client Name Added to Client Aggregate Report
Previously, the cover page for the client aggregate Account Summary displayed the words "Account Summary, Aggregated Account." In 3.10, the cover page will display "Account Summary, <Client Report Name>: Aggregated Account".

Account Summary, Account Snapshot: Option to Use Transactional Return
Previously, the trailing return tables used only security return data. Now, you can choose to display the actual transaction-based return instead. To select this option, check the **Use transactions to calculate security performance** box in the Report Options dialog box. For time periods where no transaction data is available, trailing returns will not display.

Hide Cumulative Management Fee Field
You can now hide cumulative management fee data for all performance reports.

Mask Account Numbers on All Reports
Account numbers are now displayed by default in all client and account reports. A "Mask Account Number" option has been added to the Report Options dialog box for every report, including the Billing Summary.

Columns Renamed on Performance by Security/Security Type/Asset Class Reports
The following column headings have been renamed:
- Purchases/Additions/Transfers is now Capital Inflow.
- Sales/Withdrawals/Transfers is now Capital Outflow.

Unclassified Securities Warning for Current vs. Model/Target Asset Allocation Report
A warning message will now appear when securities in a client's portfolio or model are "unclassified," informing you that the unclassified security's value is divided up and spread across the other asset classes in the portfolio.

Example: If the portfolio contains 45% Large Cap Value, 45% Small Cap Value and 10% Unclassified, the composition will be displayed on the report as 50% Large Cap Value and 50% Small Cap Value.

Include Transactional History Only on Security Price Missing Report
By default, the Security Price Missing report (available via **Global Reports > Data Diagnosis Reports**) displays every date for which prices are missing within the query date range selected. Now, you can display only dates on which the securities were actually held. To select this option, check the box labeled, "Check price from first transaction" in the Report Options dialog box.

New Data Points on Billing Information & Fee Calculation Report
This report, available via **Global Reports > Billing Management > Billing Information & Fee Calculation,** now displays the following data points for each account:

- **Firm Name**
- **Billing period start and end dates**
- **Advisor Name**
- **Client Name**
- **Account name**
- **Account Number**
- **Fee Setting**
- **Fee Methodology**
- **Account Fee Basis:** The billable balance in the account
- **Bundled Fee Basis:** The client aggregate billable balance, if applicable
- **Billing Days:** Number of days in the period being billed
- **Calculated Fee:** Fee calculated per individual account
- **Fee Adjustment:** Includes adjustments resulting from an ongoing management fee discount setting within the Account Profile, NOT additional adjustments created separately within Billings.
- **Effective Rate:** The percentage of overall assets charged per account
- **Bill To Account Number:** The account(s) to which the management fee is allocated
- **Total Fee Amount To Bill:** Total management fee for the Client
- **Current Cash Available:** Displays current cash available within the account to which the fee is allocated

Billing Information & Fee Calculation Report: Option to Display Client Names in Last, First Format
By default, this report lists clients in alphabetical order by first name. This can be changed by checking "Display last name, first name" in the report options dialog box.

Reports Cannot be Run for Dates On or After the "Account Closed Date"
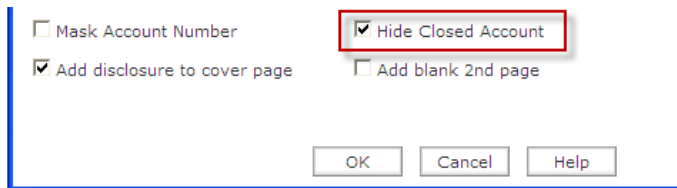The Account Closed Date, a user-defined field within the Account Profile, was introduced as a new feature in Morningstar Office version 3.9, but did not impact performance. Now, performance reports will not include any dates after the Account Closed Date in performance calculations.

Hide Closed Accounts on Client Return Summary, Account Summary

If your enter an Account Closed Date in the Account Profile, the account's performance will be excluded from any aggregate return calculations for dates after the Account Closed Date. However, by default the account is still listed alongside all other accounts in the Client Return Summary and aggregate level Account Snapshot reports, even if the start date of the report is after the Closed Date of the account.

You can check the **Exclude Closed Accounts** box in the report dialog box for these two reports.

If the start date of the report is after the Account Closed date of an account, it will not be listed as a line item in the return tables. However, the report will still be included in all aggregate return calculations for period prior to the start date. For reports with start dates prior to the Closed Date of an account, the accounts will always be displayed.

Inactive Clients Excluded from Global Reports

All global reports, such as the Assets Under Management or Global Performance Summary reports, now exclude inactive clients.

To deactivate a client, select the client and click **Action > Edit > Deactivate**.
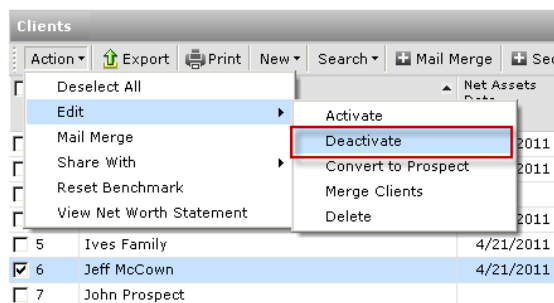
Partial Month Returns on Client Return Summary Return Graph

Previously, the Client Return Summary TWR graph did not properly handle return calculations for accounts that were opened mid-month. This has been resolved.

Imported Returns Now Included in TWR Return Graph for Client Return Summary and Performance Summary Reports

Previously, imported returns were included only in data tables for the five reports that use them. Now, imported returns are also integrated into return graphs for the Client Return Summary and Performance Summary Reports.

Imported Returns Enhancement: Imported Returns Now Included in "Period Return" Calculations and Reflected in "Report Date Range"

Previously, when you generated a report using a start date prior to the earliest transaction date, the Report Date Range still displayed the earliest transaction date as the start date (if it was later than the selected start date). Now, the six reports that support historical returns will display the start date you specified. If you select the option to "Use Account Inception Date as Start Date" (available for the Performance Summary report), the manually entered Performance Start Date will be used and displayed as the report start date if it precedes the earliest transaction date.

In addition, the "period return" area, which displays return statistics for the specific date range selected by the user, previously did not incorporate imported returns, but rather used the earliest transaction date at the calculation start date. Now, if the selected report start date is earlier than the earliest transaction date and imported returns are available, these returns will be incorporated into the line representing the period return (but no other fields).
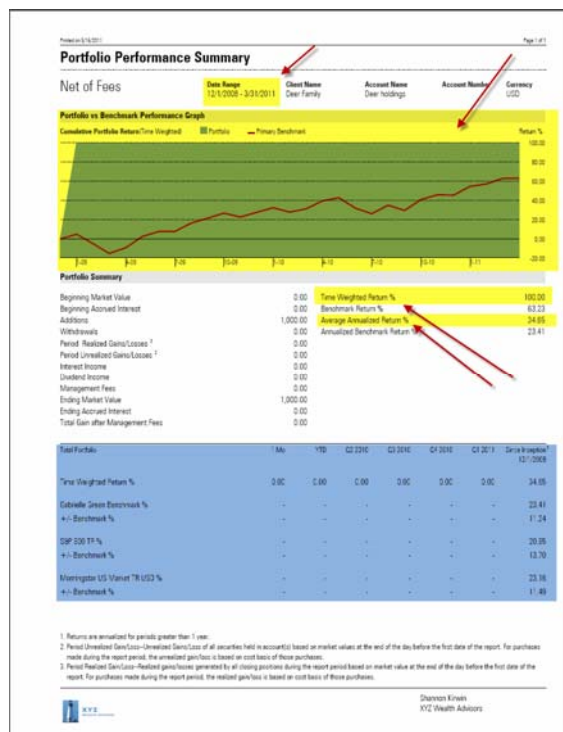
Example: In the Performance Summary report, the fields highlighted in blue have incorporated imported returns since the 3.9 release. The fields highlighted in yellow will begin incorporating imported returns in 3.10. Beginning/ending market value, etc. will continue to use the earliest transaction date as the start date for calculations.

Reports that use imported returns:
- Performance History
- Client Return Summary
- Benchmark Comparison
- Performance Summary
- Account Snapshot
- Account Overview

New Calculation Method for Account Value

In current position calculations, Morningstar Office will now round all individual holding quantities to two decimal places before summing. By adopting this market value calculation method, standard for the industry, we can eliminate tiny out of balances between Morningstar Office Statements and custodian statements. (Previously, individual holding quantities were summed and then rounded to two decimal places.)

Batch Reports

Reports Sorted by Account Name within "Segregated" Batch Reports
For batch reports with accounts segregated, reports will now be ordered alphabetically by account name.

Templates and Schedules Renamed
Within the left-hand navigation pane under the Reports tab, Templates and Schedules have been renamed Batch Templates and Batch Schedules.

Practice-Level Batch Reports Assigned to Advisor
When you generate a batch report consisting of practice-level reports, such as the Assets Under Management report, this batch of reports will now be saved as a single PDF and will be assigned to the advisor, rather than to a client.

Settings

Copy Settings
Saved settings in the settings library now have a Save As function, allowing you to easily create multiple settings from a saved template. To create a new setting based on an existing setting, place a check mark next to the setting and click **Action > Copy Setting**. Alternatively, open the setting and click **Save As**.

Account Setting Assignments: New Data Entry Fields
Six new data entry fields have been added to the Account Setting Assignments grid (accessible via **Tools > Settings > Setting Assignments**) to enable convenient data entry for multiple accounts at once. The data points that have been added include:
- Investment Objective
- Risk Tolerance
- Time Horizon
- Discretionary: Yes/No
- Third Party Managed: Yes/No
- Related Person/Proprietary

Running Share Balance Added to Transactions Screen
The transaction record for all transactional accounts now displays the running share balance of each security next to each transaction.

Transactional Accounts Audit Report Now Shows Creator/Editor Names
The Audit Report for transactional accounts tracks any edits made to the transaction history of an account. Two new data points have been added to this audit trail:

- **Created By:** The user who was logged in when the transaction was first recorded
- **First Name & Last Name:** The name of the user who was logged in when the transaction was edited or deleted

Access Person Record for Transactional Accounts
Within transactional accounts, the Transactions view now contains an Access Person column that displays the name of the person who was logged in when each transaction was last updated.

Save Account as Defined Contribution Plan
You can now create Defined Contribution Plans based on existing accounts. This can only be done in the Portfolio Management area under Accounts. Select an account, then click **Action > Utilities > Save as DC Plan**.

Right-Click and Edit Capabilities within Accounts Screen
You can now right-click on an account within the Accounts screen and select either **Edit Account Profile** or **Edit Account Settings**. Doing so will open the Account window to the appropriate page.

Account Profile and Account Settings Views Added to Accounts Screen
Within the Accounts screen in Portfolio Management or within a client window, you can now choose two new view options. The Account Profile/Account Settings views display every data entry field contained in the Account Profile/Settings areas in grid format.
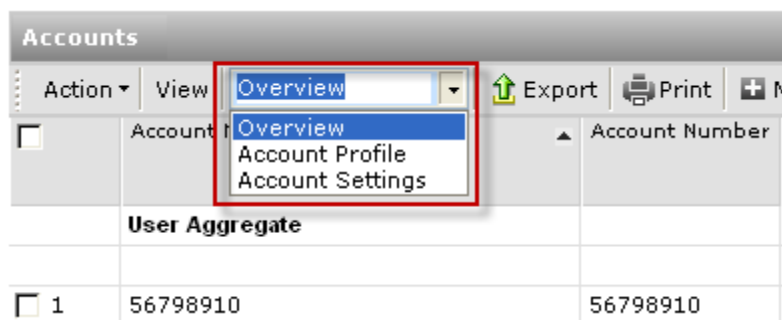
Billings

Option to Include Only Custodian Accounts in Custodian Fee File
By default, if you choose to generate a custodian fee file in a particular custodian format (Fidelity, Schwab, or TDA), all selected accounts are included, even those that are custodied at the selected custodian. Now, you can choose to exclude an accounts from the fee file that are not custodied at the selected custodian by checking the **Include debiting accounts for selected custodian only** box in the Fee File Options dialog box.

Planning

Handling of Joint Accounts in Case of Divorce
If a member is removed from a Client, the member will also be removed from all Investment Plans for that Client. For the client that is removed:
- Their accounts will be removed from Current Accounts and Account Contributions.
- Their financial details will be removed from Expected Retirement, Income, and Expenses.
- If the Client-level Investment Plan no longer contains any members at all, a warning message will appear.

Risk Questionnaire Results Hidden When Advisor Makes Selections
Previously, if you chose to overwrite the automatic selections in the Risk Profile screen, the client's answers were still displayed in a lighter shade of blue. To eliminate confusion, the client's original Risk Profile score is now hidden if the advisor chooses to manually input a different one. The original risk profile score from the client questionnaire can always be restored by clicking **Reset to Score**.

Efficient Frontier Screen Renamed, Redesigned
The Efficient Frontier section has been renamed Target Allocation and the efficient frontier has been placed at the very bottom of the screen.

Plan Sections Reorganized
Within each plan, the Constraints, Target Allocation, Allocation Comparison and Forecast Comparison sections have been grouped under a single heading – Asset Allocation.
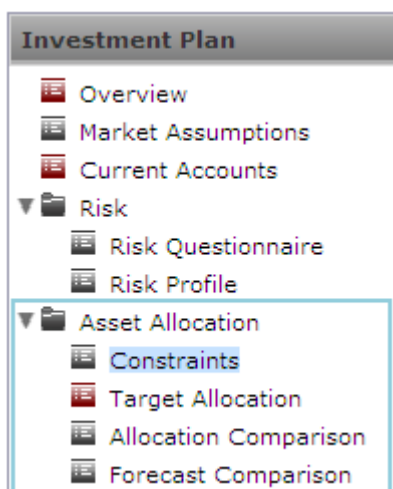
Employer Match
In the Account Contributions screen, you can enter annual employer match amounts for retirement accounts. Previously, these employer match amounts were did not affect the Wealth Forecast. This has been corrected.

Import

New Import Interface for DST FANMail
The DST FANMail import interface has been completely redesigned and now accommodates daily import and reconciliation, as well as running at a much faster speed.

Import Procedure
The process is as follows:
- Open the DST import interface and use the interface to download DST files.
- Load the blotter with all files currently found in the directory, regardless of date.
- Click **Reconcile**, regardless of whether reconciliation files are present.
- After posting files, Morningstar Office automatically moves all imported files from the current directory to a folder called "DST Archive Folder".

Reconciliation
- When you click Reconcile, a table appears displaying the reconciliation files that are currently available. If no files are available for any funds, you are prompted to post.
- If reconciliation files are available for some funds but not others, only those funds with files available are reconciled.
- Reconciliation is always done "as of" the date of the reconciliation file present, and all subsequent transactions are ignored.
- If duplicate position files are found for the same date/fund company, you will be prompted to select just one file to use for reconciliation.

Renaming Files
- When downloading files, Morningstar Office automatically renames the files to display the file date:

Name ▲	Size	Type	Date Modified
OPPHE01.09365_20091231.txt	2 KB	Text Document	1/1/2010 4:33 AM
OPPHE03.09365_20091231.txt	3 KB	Text Document	1/1/2010 5:23 AM
OPPHE03.A0153_20100301.txt	2 KB	Text Document	3/2/2010 2:15 PM
OPPHE03.A0386_20100331.txt	2 KB	Text Document	4/1/2010 7:28 AM
OPPHE03.A0626_20100430.txt	2 KB	Text Document	5/1/2010 5:05 AM
OPPHE03.A0909_20100528.txt	2 KB	Text Document	5/29/2010 2:48 PM
OPPHE09.A0154_20100301.txt	3 KB	Text Document	3/2/2010 2:15 PM

- You can also rename previously downloaded files by clicking **Rename Files** within the import interface.

DST Fund Companies Added to Custodian Fields
In **Portfolio Management > Accounts**, the Custodian field now displays the name of the fund company for all DST accounts (rather than "DST"). These fund company names will also be available in the Current Custodian field in the Account Profile.

New Import Source: TIAA-CREF (beta)
The Beta version of our TIAA-CREF transactional import interface is now available in Office 3.10. In order to import TIAA-CREF account information, you must request files in the Portfolio Center format. There are five files per day: Name & Address, Position, Price, Security, and Transaction.

TIA0222A.NAM	49 KB	NAM File	3/1/2011 6:05 PM
TIA0222A.POS	10 KB	POS File	3/1/2011 6:05 PM
TIA0222A.PRI	1 KB	PRI File	3/1/2011 6:05 PM
TIA0222A.SEC	4 KB	SEC File	3/1/2011 6:05 PM
TIA0222A.TRN	4 KB	TRN File	3/1/2011 6:05 PM

Schwab: Enhanced Portfolio Center Files
The Schwab import requires three files each day: Build, Transaction and Price. Schwab provides several different formats each for build and transaction files. Morningstar Office can now read any of the versions. If multiple versions of a file type are present for the same day, duplicated information is ignored.

Build/Reconciliation Files
CSmmddyy.BLD = Generic Build File
CSmmddyy.BKB = Renamed Generic Build File
CSmmddyy.RPS = Reconciliation File
VSmmddyy.RPS = Generic VA Reconciliation File
PCmmddyy.SLB = Enhanced PC Format Build File (preferred)

Transaction Files
CSmmddyy.TRN = Generic Transaction File
CSmmddyy.BAK = Renamed Generic Transaction File
VSmmddyy.TRN = Generic VA Transaction File
PCmmddyy.TRN = Enhanced PC Format Transaction File (preferred)

Price Files
CSmmddyy.PRI = Generic Price File
VSmmddyy.PRI = Generic VA Price File

**NOTE: We encourage you to upgrade to the "Enhanced Portfolio Center Format," which has the following advantages:

- ETF positions/transactions show five precise to five decimal places, aiding reconciliation
- Settlement date and other useful data points will be posted to accounts

Reconciliation Blotter Redesign
The Reconciliation Blotter has been redesigned to be more user-friendly. Column heading names are now more intuitive and are ordered by relevance.

Data Deletion Warning in Import Blotter

If you have data from one import source currently loaded to the blotter and then attempt to load the blotter with data from another import source, a warning message will inform you that this action will delete all of the currently loaded data.

Type-Ahead Technology in Security Mappings

On the Import blotter, you can now type tickers or security names directly into the Morningstar Mapped Holding field.

CUSIP Change Integration

If an import file reflects a CUSIP change earlier than Morningstar's security database does, the import interface will draw on information from the Corporate Actions warehouse to automatically map the new CUSIP to the correct Morningstar security. This will eliminate some out of balances that result from CUSIP changes.

Performance Enhancement: Decreased Loading Time

We've decreased the amount of time required to load data to the Import blotter by making the account mapping process smarter. The program now scans through only accounts with the relevant custodian when mapping, rather than scanning through all accounts.

Prices-only Import Now Supported for Raymond James

Price files are available from Raymond James by request. These files are in the same .DAT format as regular daily data files, but contain only pricing information. Morningstar Office is now able to read these files.

Comments and Transaction Codes Included in Excel Import

Content saved in Comments and Original Transaction Type Code columns in an Excel spreadsheet will now be posted to accounts if the spreadsheet is imported via the Excel import interface.

National Advisors Trust Company: Settlement-Date Reconciliation

Because NATC position files reflect settlement dates and not trade dates, the reconciliation process for this source has been updated to use settlement dates rather than trade dates for position calculation.

New Import Sources Added for Excel Import

You can now import transactions via Excel into NATC and Southwest Securities accounts.

Corporate Actions Wizard

Corporate Actions Warehouse

This new Corporate Actions Warehouse displays up-to-date information for any corporate actions or mergers that might affect your holdings. The warehouse will provide all information necessary to use the Corporate Actions Wizard. It is accessible from the main Import screen and via the Corporate Actions Warehouse button on the Transactions Blotter toolbar.
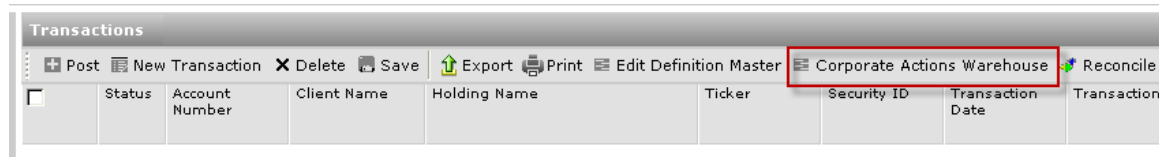

Browse/Search for Corporate Actions

The Corporate Actions Wizard now includes a section called Corporate Actions in My Practice. You can also browse the Mergers/Exchanges and Spin-offs universes. To search for a corporate action, click **Find Corporate Actions**.

View Corporate Action Details

Within a universe, double-click on a corporate action listed to view the complete details of the transaction, including all information required to use the Corporate Actions Wizard.

Use Corporate Actions Wizard

To apply the details from a corporate action to your accounts, select the corporate action and click **Corporate Actions Wizard**. The data fields will pre-populate with the date, ratio and price information for the corporate action.
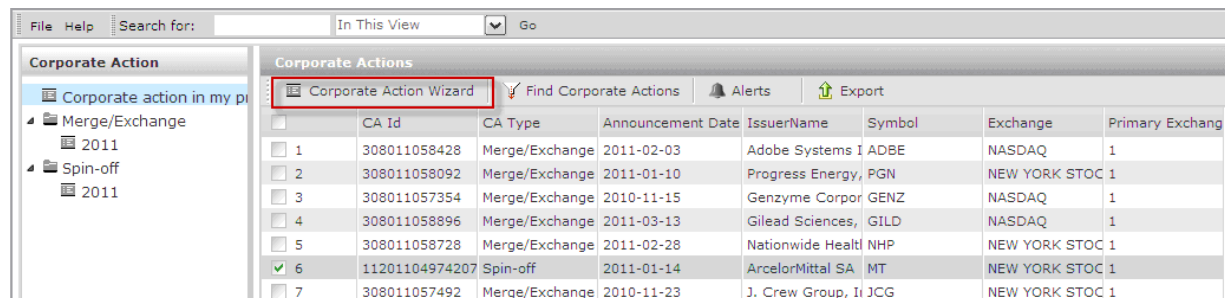
Definition Master

Definition Master Redesign
The Definition Master has been reorganized for greater clarity. It is now divided into the following categories:

- **User Defined Securities:** Securities, Security Mappings
- **Morningstar Securities:** Price Sources, Reclassification
- **Customized Data:** Security Types, Asset Classes, etc.
- **Import:** Client/Account Mappings, Import Security Exclusion

Return Source Column Added to Security Mappings
A Return Source column has been added to the Security Mappings page of the Definition Master. For all user-defined security types, you can select either User Defined or Morningstar. This will affect the security-level historical returns displayed in analytical reports such as the Account Snapshot report.

Price Source Column Disabled for Fixed Income Securities
Because Morningstar prices are no longer available for fixed income securities, the option to select Morningstar Price as the price source for fixed income securities has been disabled within Security Mappings.

Credit Quality Entry Added to Reclassification
Because credit quality is no longer available within Morningstar's fixed income universe, a credit quality reclassification tool has been added to the Reclassification area of the Definition Master (Morningstar Securities > Reclassification). To assign a credit score to a Morningstar-tracked fixed income security, click **Add**, search for the security in Morningstar's database, and select the credit quality from the drop-down menu.

Morningstar Base Currency and Morningstar Exchange Added to Security Mappings Grid
The Security Mappings screen now displays both the base currency and the exchange for the mapped Morningstar security, making it easier to tell whether a user-defined security is incorrectly mapped to an international security.

Merge Securities Confirmation Message
When merging two user-defined securities within the Definition Master, you will now see a confirmation message before the merge takes place, in addition to afterwards.

Note and Task Managers

Enhanced Category Labels
The 11 colored category labels for Notes and Tasks have been expanded to 25 color choices. In addition, you can add text to each category label. To change the name of a category, click **Default Note Settings** from the toolbar. In the window that opens, click on the **Category** drop-down menu. Double-click directly on a **category name** within this list and type the **name** you would like to use.
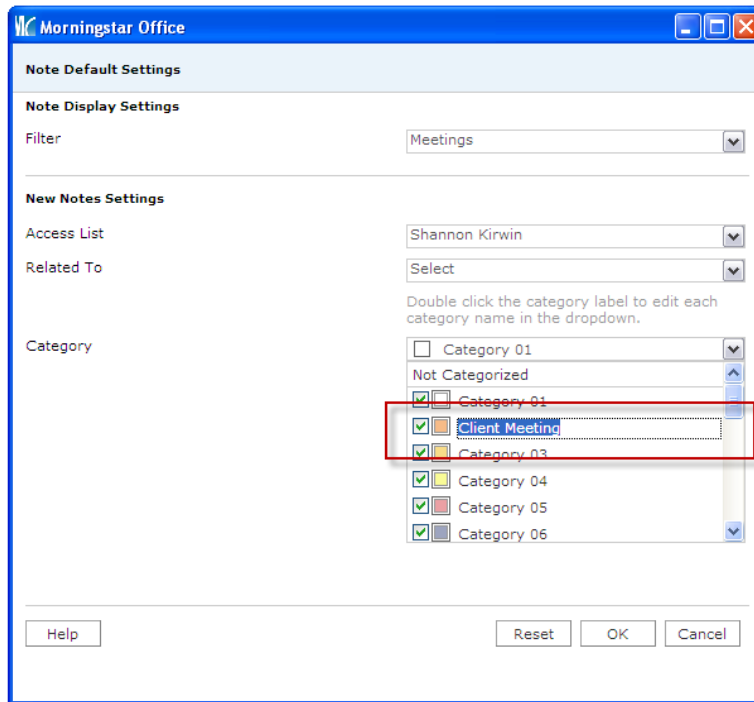
Highlight Multiple Rows
It is now possible to quickly highlight multiple rows at once in Note and Task Managers. Click on the **checkbox** in the top row you wish to highlight, then hold down the **<SHIFT>** and check the **box** of the bottom row. All rows in this range will be highlighted.

Copy & Paste Functionality in Note Manager
It is now possible to copy and paste content from a Microsoft Word or other document into a note content field. All special formatting will be maintained.

Notes for Morningstar-Tracked Securities in Note Manager
It is now possible to create notes in Note Manager for Morningstar-tracked securities in addition to clients, prospects and accounts. Within an account Holding Summary or security list, you can also right-click on a security to create a note.

Semi-Annual Recurrence in Task Manager
In Task Manager, you can schedule a task to recur semi-annually. Previously, only daily, weekly, monthly, quarterly, and annual recurrence intervals were available.

Content Search Functionality in Note Manager

You can now run content searches in Note Manager. The Boolean operators AND and OR are available. For example, you can search for "retirement AND meeting" or "retirement OR meeting".