Creating and Managing Client Bills

Morningstar Office℠ Cloud

Contents

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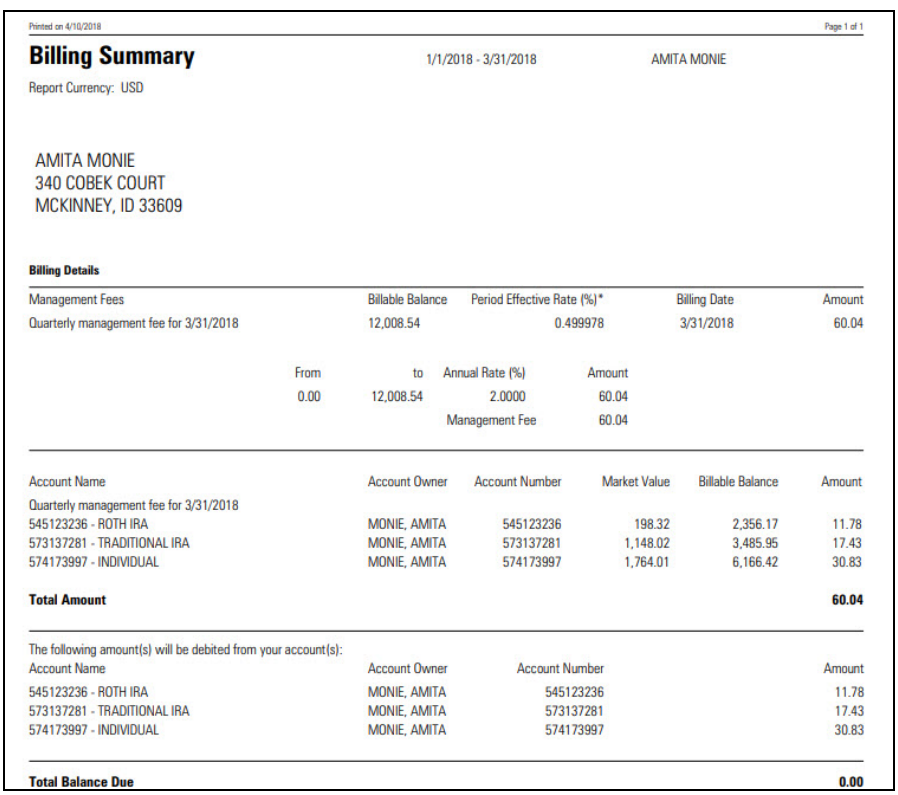
Overview

Billing is an important parts of your practice. After all, it's how you are paid for the services you provide. Morningstar Office℠ Cloud offers customizable, step-by-step processes to handle your billing.

This manual walks through the billing cycle end-to-end, and explains the following topics:

- Creating Management Fees (page 6)
- Assigning Management Fees (page 24)
- Calculating Management Fees (page 33)
- Generating Billing Reports (page 40)
- Billing by Groups (page 45)
- Additional Billing Tasks (page 51)



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Billing Summary 1/1/2018 - 3/31/2018 AMITA MONIE

Report Currency: USD

AMITA MONIE
340 COBEK COURT
MCKINNEY, ID 33609

Billing Details

Management Fees	Billable Balance	Period Effective Rate (%)*	Billing Date	Amount
Quarterly management fee for 3/31/2018	12,008.54	0.499978	3/31/2018	60.04

From	to	Annual Rate (%)	Amount
0.00	12,008.54	2.0000	60.04
		Management Fee	60.04

Account Name	Account Owner	Account Number	Market Value	Billable Balance	Amount
Quarterly management fee for 3/31/2018					
545123236 - ROTH IRA	MONIE, AMITA	545123236	198.32	2,356.17	11.78
573137281 - TRADITIONAL IRA	MONIE, AMITA	573137281	1,148.02	3,485.95	17.43
574173997 - INDIVIDUAL	MONIE, AMITA	574173997	1,764.01	6,166.42	30.83
Total Amount					**60.04**

The following amount(s) will be debited from your account(s):

Account Name	Account Owner	Account Number	Amount
545123236 - ROTH IRA	MONIE, AMITA	545123236	11.78
573137281 - TRADITIONAL IRA	MONIE, AMITA	573137281	17.43
574173997 - INDIVIDUAL	MONIE, AMITA	574173997	30.83

Total Balance Due **0.00**

A typical Billing Summary

Creating Management Fees

Overview

The first step in the billing process is to create management fees, or determine how you want to bill your clients. For example, do you want to bill using multiple tiers, quarterly, and in advance? Or do you want to bill with a single tier, monthly, and at the end of term?

In this section, you will learn how to do the following:

What is a management fee?

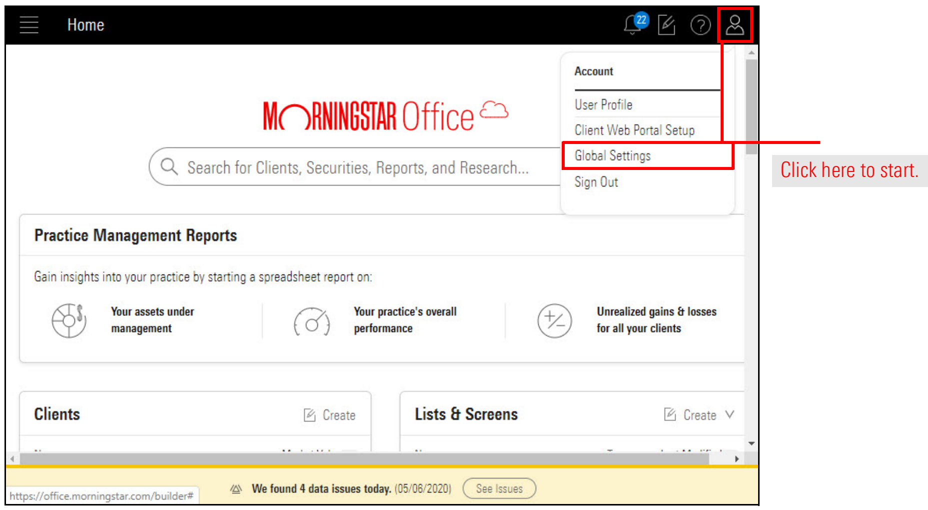
Management fees determine how your clients are to be billed. Once created, you can then assign management fees to your clients, accounts, and practice. The table below describes the three types of management fees:

With this management fee ...	You can charge ...
Total Account Value	A unique percentage, based on total value of the account.
Security Type	A unique percentage, broken down by security types within an account.
Flat Dollar Amount	A set dollar amount, set up for a client or account.
Based on Performance	A set percentage of all portfolio gains.

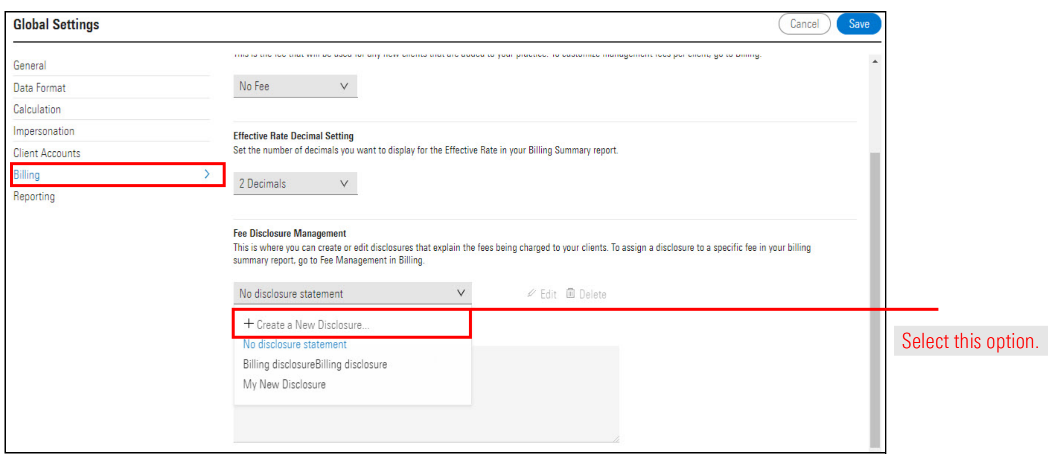
How do I create a billing disclosure?

Billing disclosures allow you to provide additional information about your clients' bill. You have the option to create multiple billing disclosures, which you can assign to separate management fees. Billing disclosures appear at the bottom of your client's bill. To create a billing disclosure, do the following:

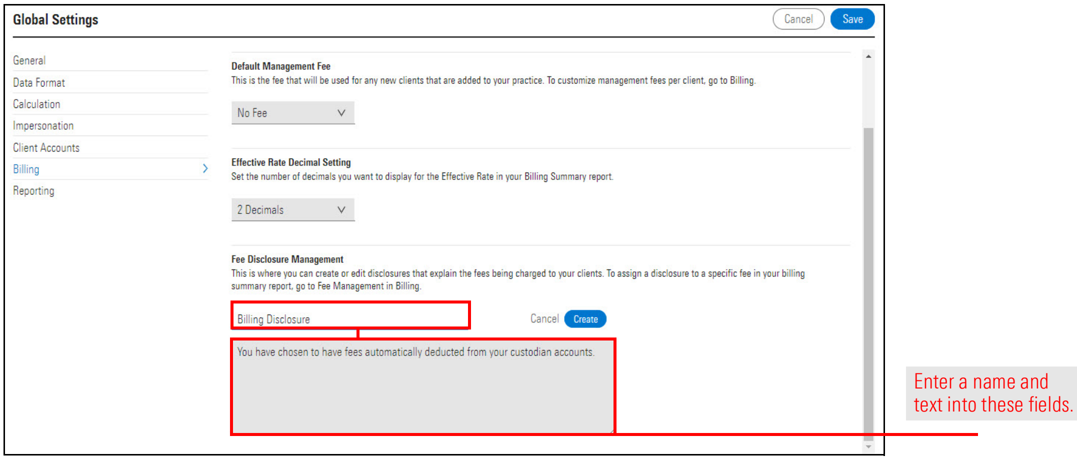
1. From the **Account** icon, select **Global Settings**. The Global Settings window opens.



2. Click the **Billing** page, then scroll down to the **Fee Disclosure Management** section.
3. From the drop-down field, select **Create New Disclosure**.



4. In the **Enter a name for your disclosure** field, enter a **name** for your disclosure.
5. In the **Enter or paste text for you disclosure** field, enter **content** for your disclosure.

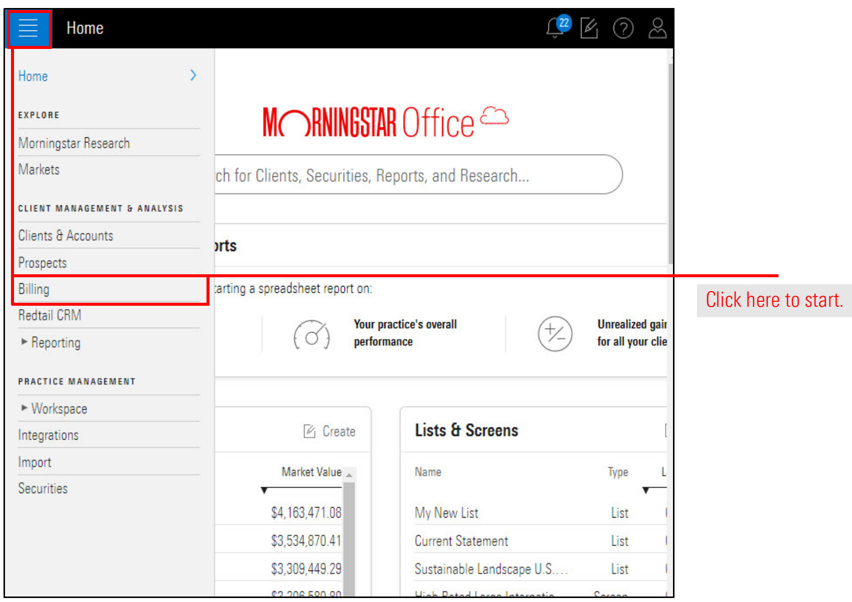


6. Click **Create**.

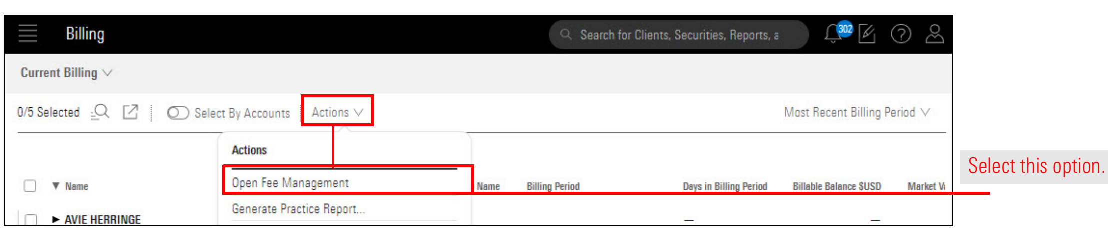
How do I create a total portfolio value fee?

To create a Total Portfolio Value management fee, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.



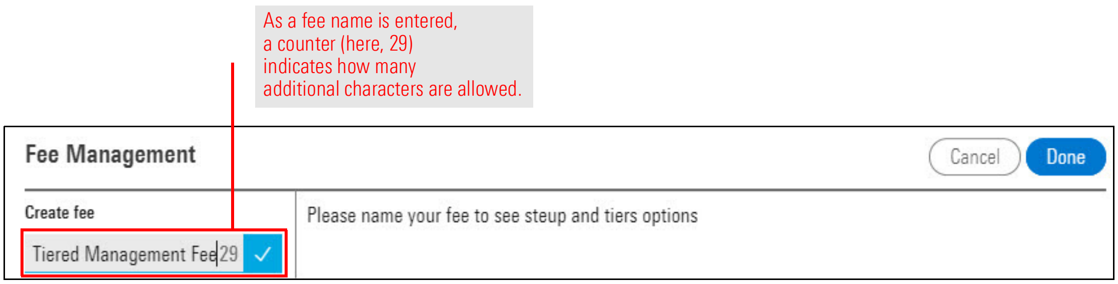
2. Click **Actions > Open Fee Management.** The Fee Management dialog box opens.



3. In the **Create fee** field, enter a **name** for the fee.

   ☞ Note: The fee name is limited to 50 characters.

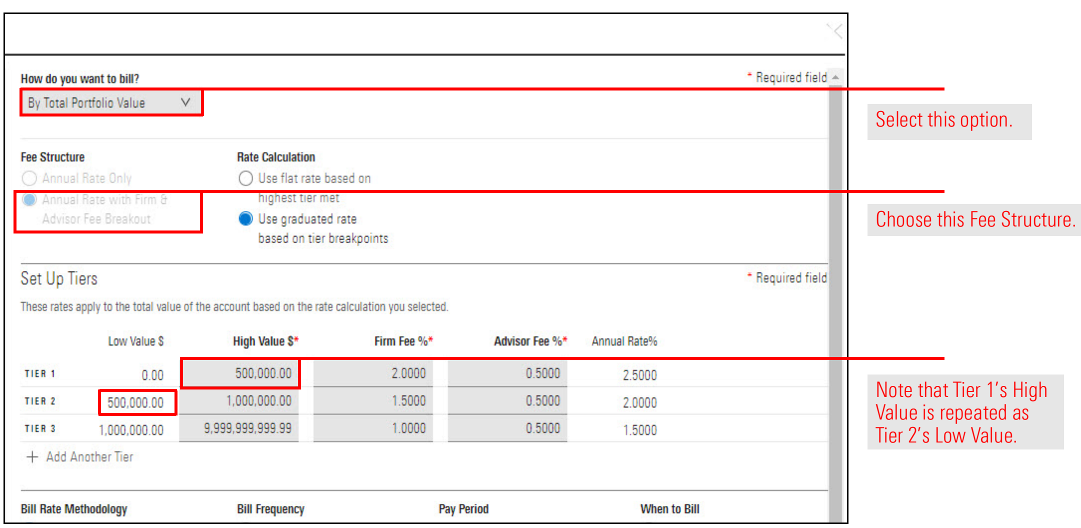
4. Click the **checkmark** at the right of the fee name field. The Management Fee set up options are displayed.



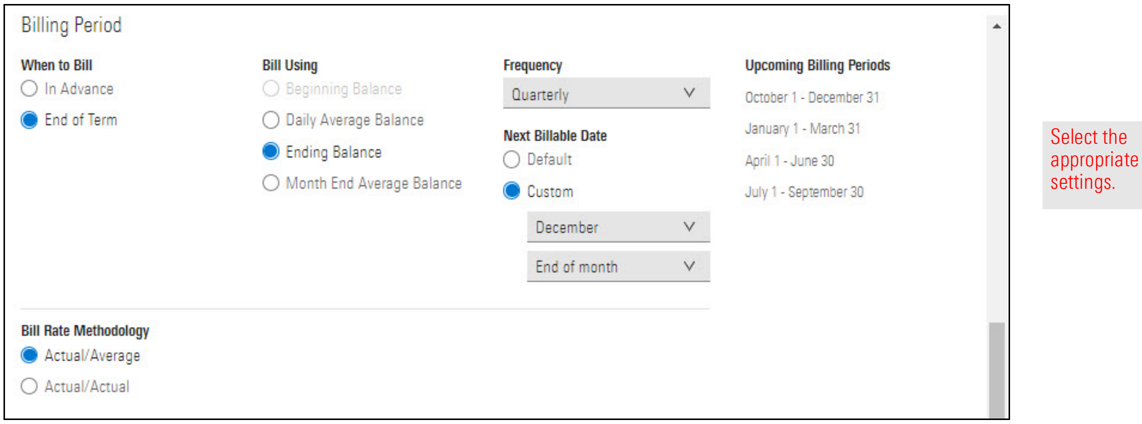
5. From the **How do you want to bill?** drop-down menu, select **By Total Portfolio Value.**
6. In the **Fee Structure** area, click **Annual Rate with Firm & Advisor Fee Breakout.**
7. In the **Rate Calculation** area, click **Use graduated rate based upon tier breakpoints.**
8. In the row for Tier 1, the **Low Value $** field is preset at 0.00. In the **High Value $** column, enter **500,000**.
9. In the **Firm Fee%** column, enter **2**. Then in the **Advisor Fee%** column, enter **.5**.

   ☞ **Note:** If you selected Annual Rate Only from the Fee Structure options, only the Annual Rate % column is available.

10. In the row for Tier 2, the **Low Value $** field is preset at 500,000. In the **High Value $** column, enter **1,000,000**.
11. In the **Firm Fee%** column, enter **1.5**. Then in the **Advisor Fee%** column, enter **.5**.
12. In the row for Tier 3, the **Low Value $** field is preset at 500,000. In the **High Value $** column presets the final tier as a series of 9's.
13. In the **Firm Fee%** column, enter **1**. Then in the **Advisor Fee%** column, enter **.5**.



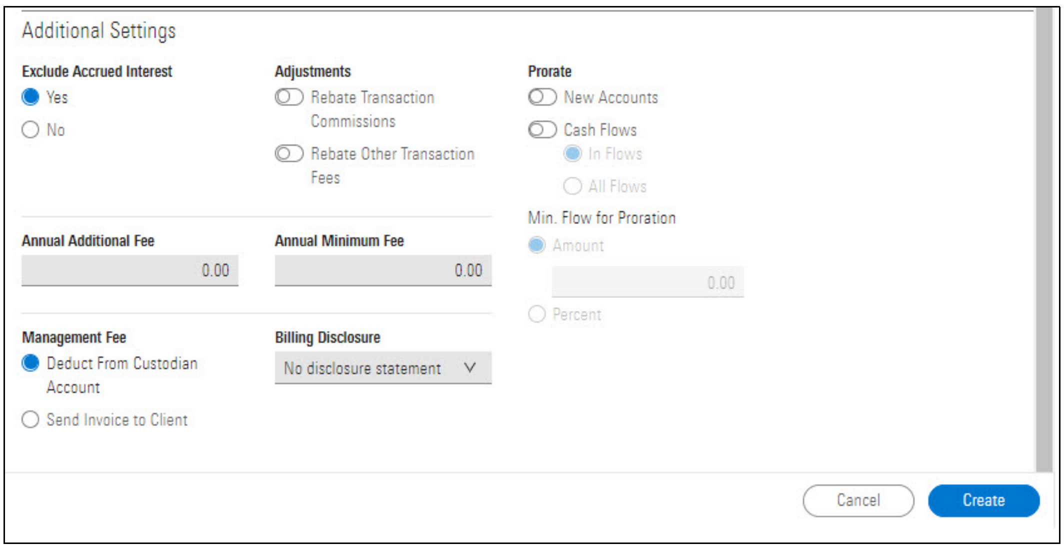
14. In the Billing Period area, select from the various billing **settings**. See the table below for a description of each option within the Billing Period area.



Setting	**Description**
When to Bill	Choose either Advance to bill on the last day of one time period for the next period. Or End of Term to bill on the last day of one time period for the same time period.
Bill Using	When billing in advance, choose: ▸ Beginning Balance ▸ Daily Average Balance When billing end of term, use: ▸ Ending Balance ▸ Daily Average Balance
Frequency	Frequency refers to how often clients are billed. Select from the following options: ▸ Quarterly ▸ Monthly ▸ Every 2 months ▸ Every 4 months ▸ Semi-annually, or ▸ Annually.
Next Billable Date	Select Default or Custom. With Default, accounts are billed according to conventional calendar periods. With the Custom option, accounts are charged on a date of your choosing. The start and end dates follow your custom schedule. For example, you can stagger your quarterly billing by scheduling a portion of your business in January (for January-March, April-June, July-September and October-December), then create another management fee setting for the next portion in February (for February-April, May-July, August-October and November-January), and a third management fee setting for the final portion in March (for March-May, June-August, September-November and December-February).

Setting	Description
Upcoming Billing Periods	This field displays the billing periods you selected.
Bill Rate Methodology	Select either Actual/Average or Actual/Actual. With Actual/Average, the annual fee is multiplied by (1/4) to calculate a quarterly fee, (1/12) for a monthly fee, etc. (The frequency of payment is selected in the Payment Period field.) With Actual/Actual, the annual fee is multiplied by X divided by 365 (where X is the actual number of days in the billing period) to calculate the fee. For example, with a quarterly fee, in the second calendar quarter (i.e., April, May and June) a flat fee of $1,000 would be multiplied by (91/365).

15. In the Additional Settings area, select from the various billing **settings**. See the table below for a description of each option within the Additional Settings area. You might need to **scroll down** to see all of the Settings area.



Select the appropriate settings.

Setting	Description
Exclude Accrued Interest	Check Yes to exclude accrued interest from bonds in the billable balance of your accounts.
Adjustments	Click the slider next to Rebate Transaction Commissions and/or Rebate Transactions “Other” Fees. With Rebate Transaction Commissions, any commissions you have earned over the quarter are subtracted (this data is drawn from the transaction history). With Rebate Transactions “Other” Fees, any transaction fees or other expenses that the client paid to other parties (not the advisor) are subtracted.

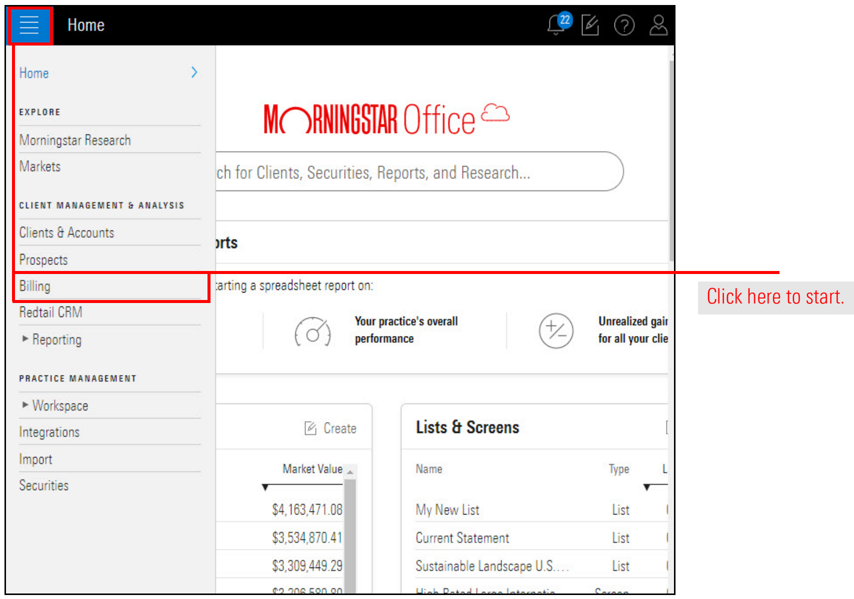
Setting	Description
Prorate	Click the slider next to New Accounts and/or Cash Flows. With New Accounts: ▸ If you are billing in arrears, clients will be discounted for the days during the last quarter when their accounts were not yet open. ▸ If you are billing in advance, clients will be additionally charged for the days that their accounts were open during the past quarter. With Cash Flows, clients are discounted for the days when their accounts had a lower balance, and charged more for the days during which their accounts had a higher balance. Once selected In Flows to prorate for inflows only, or All Flows to prorate for both inflows and outflows of cash.
Min. Flow for Proration	Select either Amount or Percent required to trigger the proration, then enter that value in the field below the option buttons.
Annual Additional Fee	If you need to charge an additional flat fee along with the tiered fee, enter that amount here.
Annual Minimum Fee	Enter a dollar amount here to ensure that a certain annual minimum fee is charged to an account. Keep in mind that this fee is calculated for each billing period, and not simply at the end of the year. For instance, if you bill quarterly and enter an annual minimum fee of $1,200, the system will ensure your client is billed for at least $300 each quarter. If you bill monthly, the system will ensure your client is billed for at least $100 each month.
Management Fee	Select either Deduct From Custodian Account or Send Invoice to Client. With Deduct From Custodian Account, a 0 will appear at the bottom of the bill. Fees are deducted from the custodian, and show up as transactions the next time transactional accounts are deducted With Send Invoice to Client, an amount appears at the bottom of the bill and clients must remit payment to you.
Billing Disclosure	If desired, select a custom disclosure to appear on the Billing Summary. You must have already created and saved a billing disclosure before you can select it here. Billing disclosure are created within Global Settings, under the Account menu.

16. At the bottom of the Fee Management window, click **Create.**

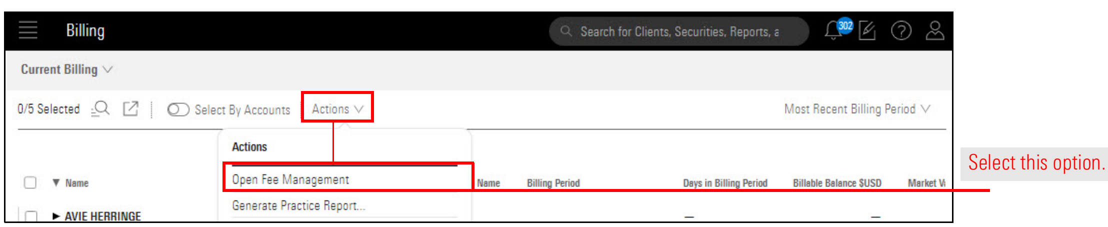
How do I create a security type fee?

To create a Security Type management fee, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.



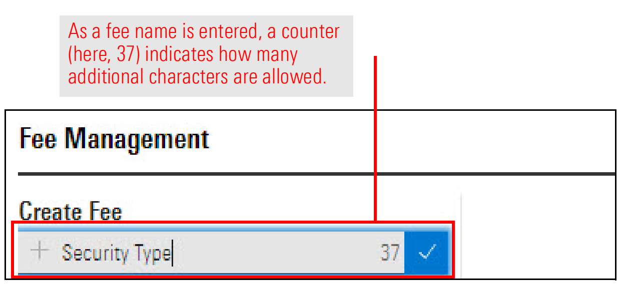
2. Click **Actions > Open Fee Management**. The Fee Management dialog box opens.



3. In the **Create fee** field, enter a **name** for the fee.

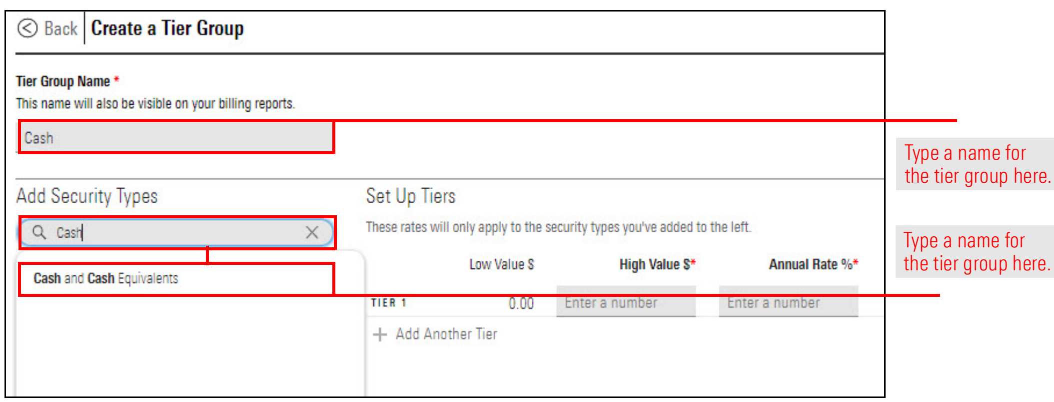
   ☞ Note: The fee name can have no more than 50 characters.

4. Click the **checkmark** at the right of the fee name field. The Tier SetUp options are displayed.

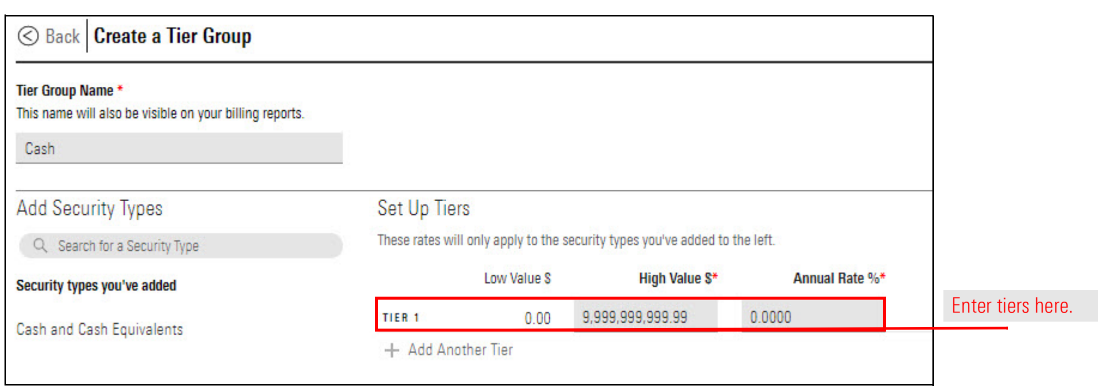


5. From the **How do you want to bill?** drop-down menu, select **By Security Type**
6. In the **Fee Structure** area, click **Annual Rate with Firm & Advisor Fee Break Out.**
7. In the **Rate Calculation** area, click **Use graduated rate based upon tier breakpoints.**
8. In the **Tier Group** area, click **Create a Tier Group.** The Create a Tier Group page opens.

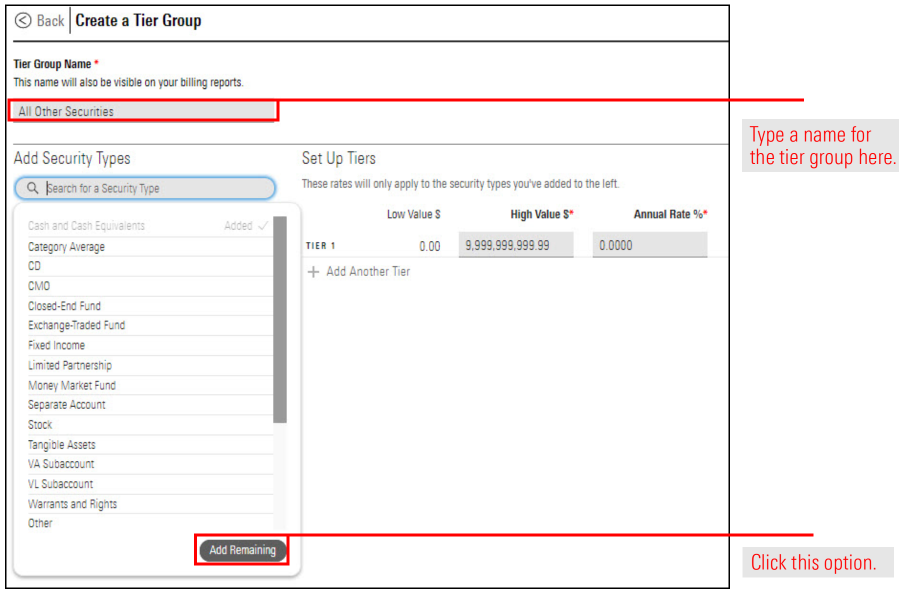
9. In the **Create a Tier Group** text field, type **Cash**.
10. In the **Search for Security Type** field, type **Cash**. Then select **Cash & Cash Equivalents**. Click off the drop-down menu to close.



11. In the row for Tier 1, the **Low Value $** field is preset at 0.00. In the **High Value $** column, enter **a series of 9s**.
12. In the **Firm Fee%** column, enter **0**. Then in the **Advisor Fee%** column, enter **0.**



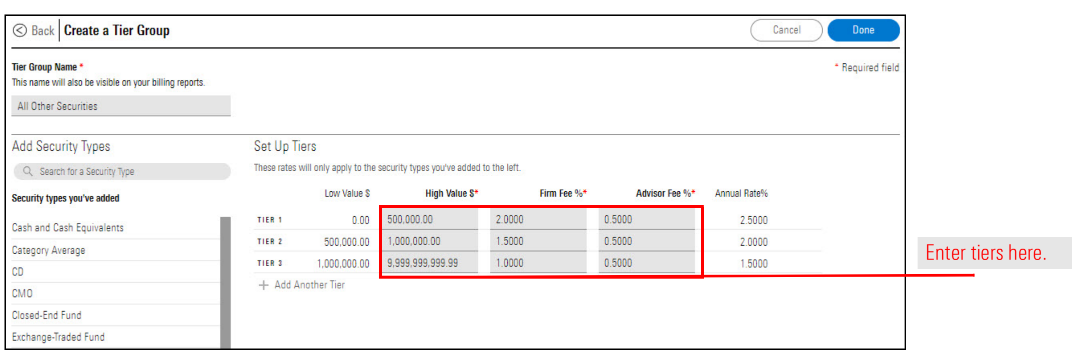
13. In the **Create a Tier Group** text field (now called Cash), type **All Other Securities.**
14. Click inside the **Search for Security Type** field. A drop-down menu opens.
15. Click **Add Remaining**. Then click off the drop-down menu to close.



16. In the row for Tier 1, the **Low Value $** field is preset at 0.00. In the **High Value $** column, enter **500,000**.
17. In the **Firm Fee%** column, enter **2**. Then in the **Advisor Fee%** column, enter **.5**.

   ☞ **Note:** If you selected Annual Rate Only from the Fee Structure options, only the Annual Rate % column is available.

18. In the row for Tier 2, the **Low Value $** field is preset at 500,000. In the **High Value $** column, enter **1,000,000**.
19. In the **Firm Fee%** column, enter **1.5**. Then in the **Advisor Fee%** column, enter **.5**.
20. In the row for Tier 3, the **Low Value $** field is preset at 1,000,000. In the **High Value $** column represents the final tier as a series of 9's.
21. In the **Firm Fee%** column, enter **1**. Then in the **Advisor Fee%** column, enter **.5**.

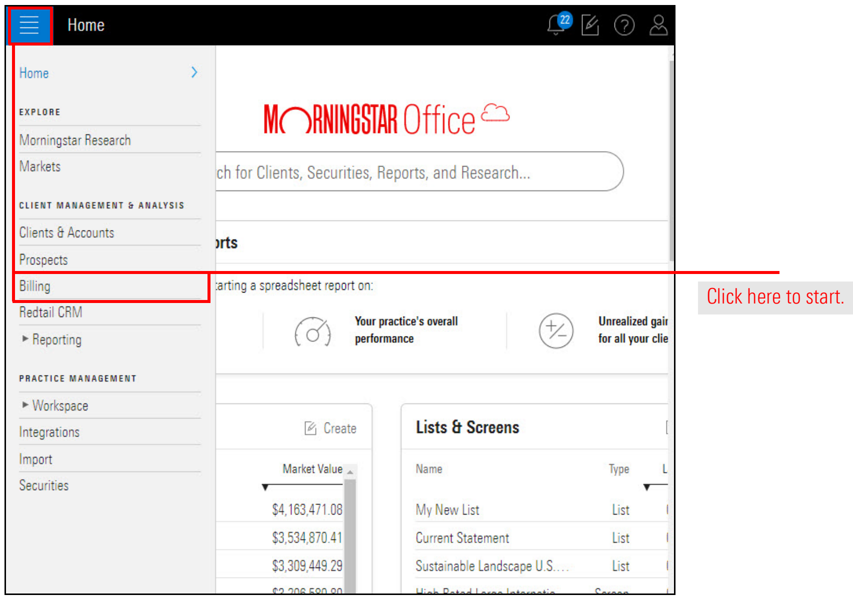


22. Click **Done.**
23. Follow steps 15-17 in How do I create a total portfolio value fee? on page 8.

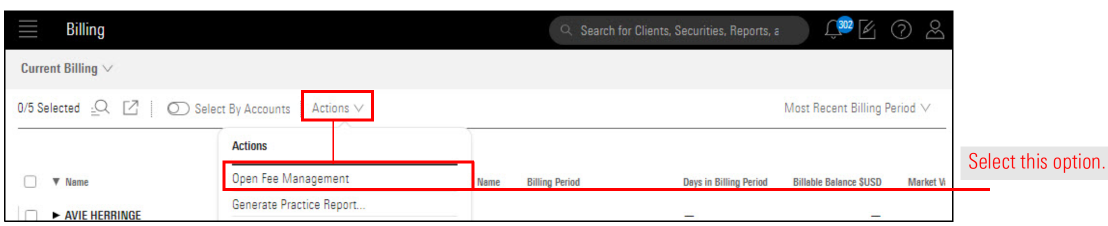
How do I create a flat dollar amount fee?

To create a flat dollar amount management fee, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.



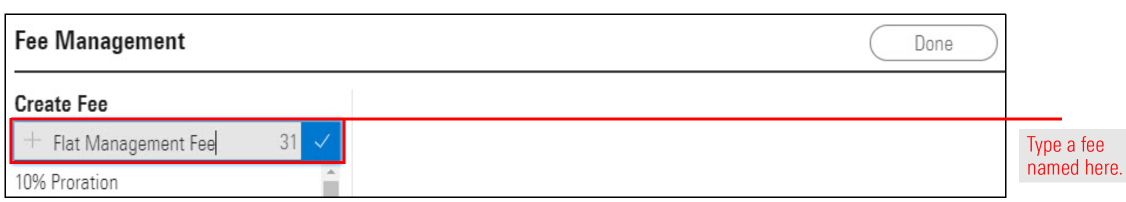
2. Click **Actions > Open Fee Management**. The Fee Management dialog box opens.



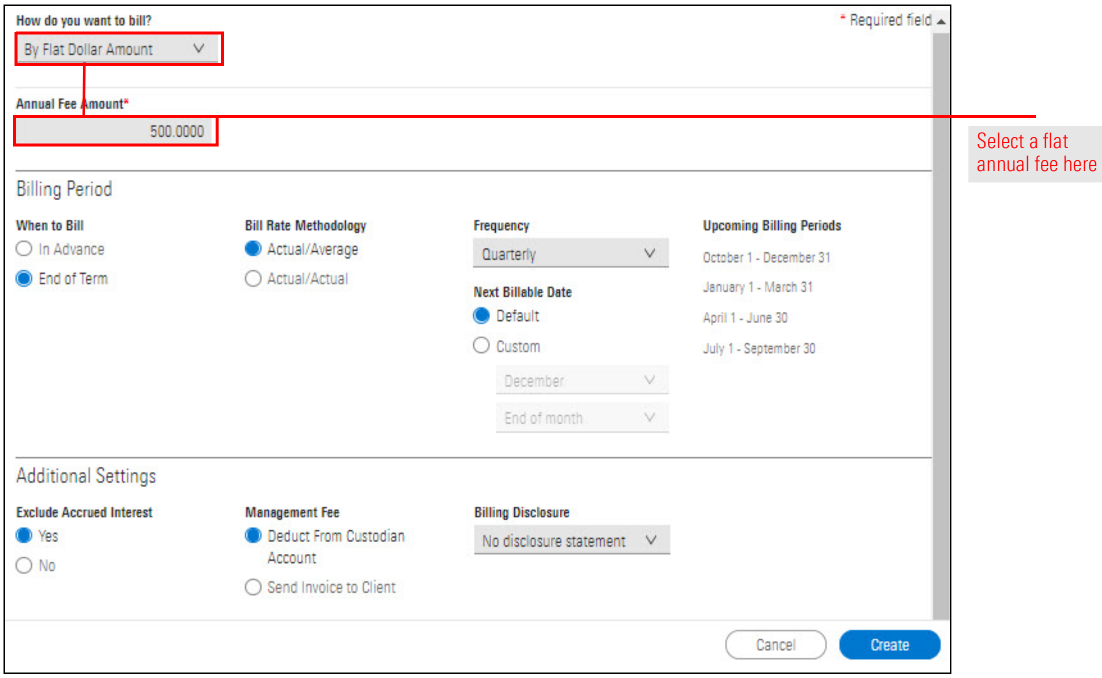
3. In the **Create fee** field, enter a **name** for the fee.

   ☞ Note: The fee name can have no more than 50 characters.

4. Click the **checkmark** at the right of the fee name field.



5. From **How do You wan to bill?**, select **By Flat Dollar Amount**.
6. In the **Annual Fee Amount** field, type a **500.00** in the text box.
7. In the Bill Period area, select from the various billing **options**. See the table below for a detailed description of each setting.
8. In the Additional settings area, select from the various **options.** See the table below for a detailed description of each setting. You might need to **scroll down** to see all of the Settings area.



Setting	Description
When to Bill	Choose either Advance to bill on the last day of one time period for the next period. Or End of Term to bill on the last day of one time period for the same time period.
Bill Rate Methodology	Select either Actual/Average or Actual/Actual. With Actual/Average, the annual fee is multiplied by (1/4) to calculate a quarterly fee, (1/12) for a monthly fee, etc. (The frequency of payment is selected in the Payment Period field.) With Actual/Actual, the annual fee is multiplied by X divided by 365 (where X is the actual number of days in the billing period) to calculate the fee. For example, with a quarterly fee, in the second calendar quarter (i.e., April, May and June) a flat fee of $1,000 would be multiplied by (91/365).
Frequency	Frequency refers to how often clients are billed. Select from the following options: ▸ Quarterly ▸ Monthly ▸ Every 2 months ▸ Every 4 months ▸ Semi-annually, or ▸ Annually.

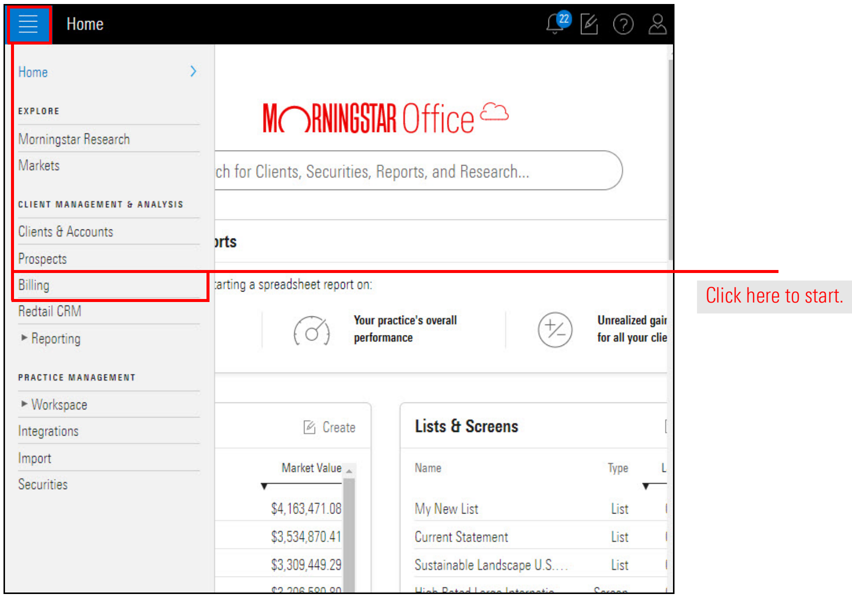
Setting	Description
Next Billable Date	Select Default or Custom. With Default, accounts are billed according to conventional calendar periods. With the Custom option, accounts are charged on a date of your choosing. The start and end dates follow your custom schedule. For example, you can stagger your quarterly billing by scheduling a portion of your business in January (for January-March, April-June, July-September and October-December), then create another management fee setting for the next portion in February (for February-April, May-July, August-October and November-January), and a third management fee setting for the final portion in March (for March-May, June-August, September-November and December-February).
Upcoming Billing Periods	This field displays the billing periods you selected.
Exclude Accrued Interest	Check Yes to exclude accrued interest from bonds in the billable balance of your accounts.
Management Fee	Select either Deduct From Custodian Account or Send Invoice to Client. With Deduct From Custodian Account, a 0 will appear at the bottom of the bill. Fees are deducted from the custodian, and show up as transactions the next time transactional accounts are deducted With Send Invoice to Client, an amount appears at the bottom of the bill and clients must remit payment to you.
Billing Disclosure	If desired, select a custom disclosure to appear on the Billing Summary. You must have already created and saved a billing disclosure before you can select it here. Billing disclosure are created within Global Settings, under the Account menu.

9. At the bottom of the Fee Management window, click **Create.**

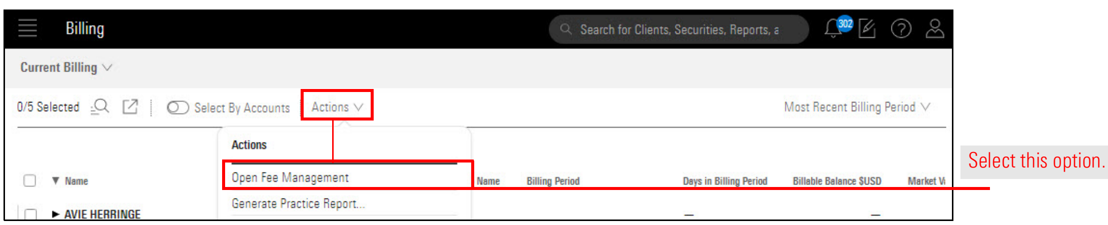
How do I create a performance fee?

To create a based on performance management fee, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.



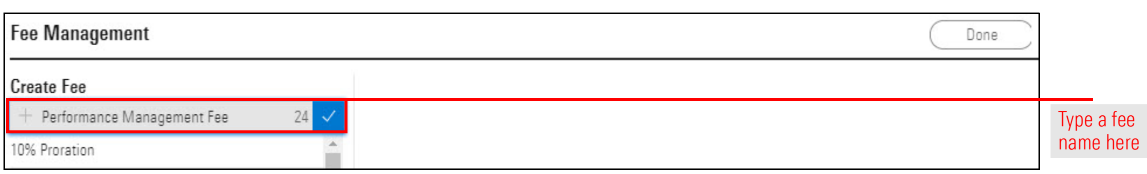
2. Click **Actions > Open Fee Management**. The Fee Management dialog box opens.



3. In the **Create fee** field, enter a **name** for the fee.

   ☞ Note: The fee name can have no more than 50 characters.

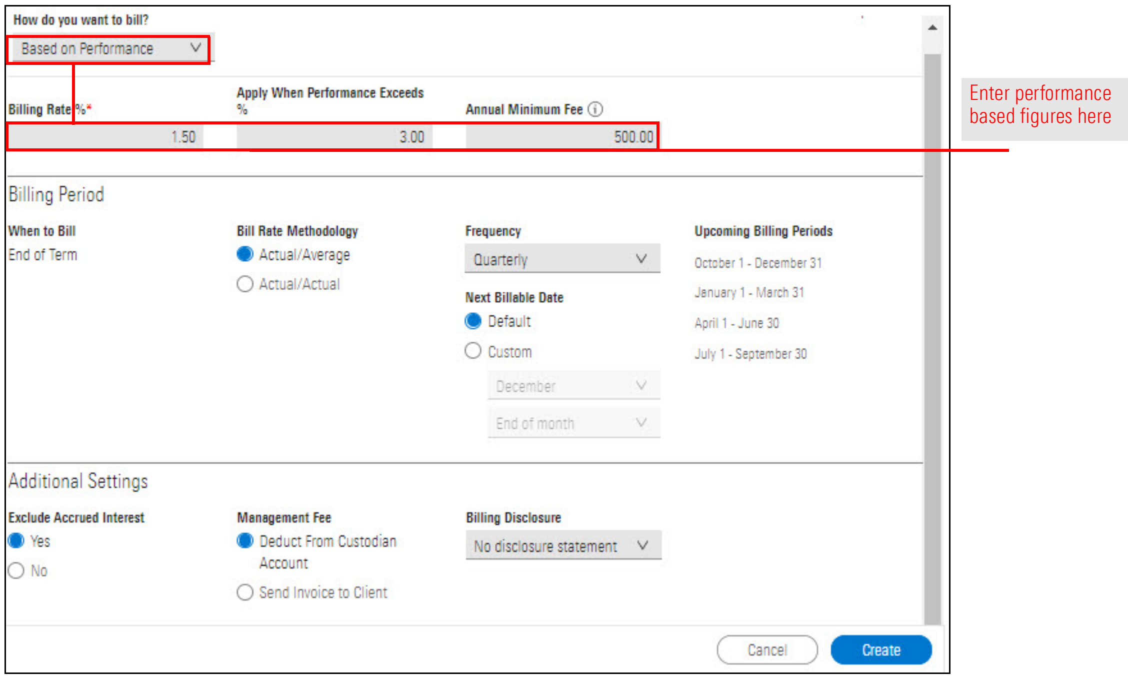
4. Click the **checkmark** at the right of the fee name field.



5. From **How do you want to Bill?**, select **Based on Performance.**
6. In the **Billing Rate %,** type **1.5**.
7. In the **Apply When Performance Exceeds %,** type a **percentage threshold above 0%** (optional).
8. In the **Annual Minimum Fee** field, type a **500,000**.

   ☞ Note: The Annual Minimum Fee will be used when its value is greater than the value of the fee based performance.

9. In the Bill Period area, select from the various billing **options**. See the table below for a detailed description of each setting.
10. In the Additional settings area, select from the various **options.** See the table below for a detailed description of each setting. You might need to **scroll down** to see all of the Settings area.



Setting	Description
When to Bill	Choose either Advance to bill on the last day of one time period for the next period. Or End of Term to bill on the last day of one time period for the same time period.
Bill Rate Methodology	Select either Actual/Average or Actual/Actual. With Actual/Average, the annual fee is multiplied by (1/4) to calculate a quarterly fee, (1/12) for a monthly fee, etc. (The frequency of payment is selected in the Payment Period field.) With Actual/Actual, the annual fee is multiplied by X divided by 365 (where X is the actual number of days in the billing period) to calculate the fee. For example, with a quarterly fee, in the second calendar quarter (i.e., April, May and June) a flat fee of $1,000 would be multiplied by (91/365).
Frequency	Frequency refers to how often clients are billed. Select from the following options: ▸ Quarterly ▸ Monthly ▸ Every 2 months ▸ Every 4 months ▸ Semi-annually, or ▸ Annually.

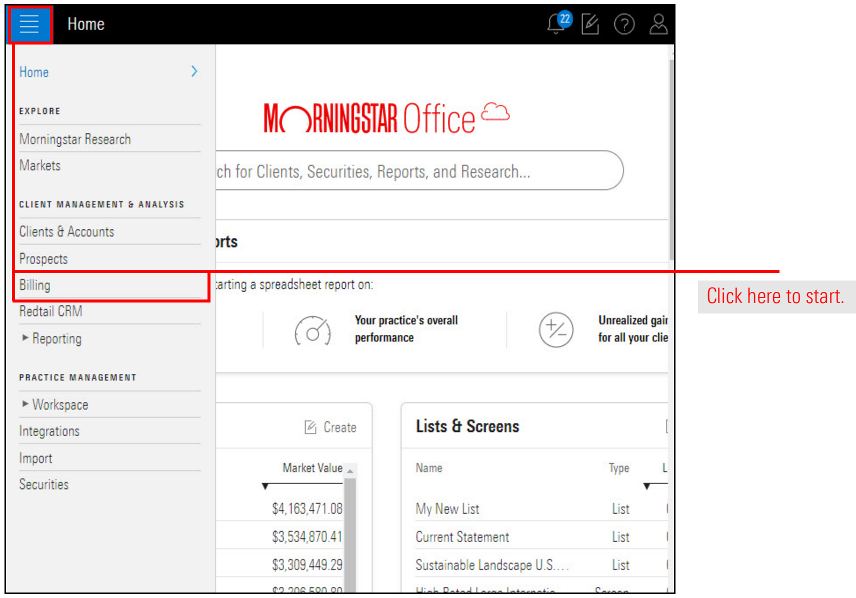
Setting	Description
Next Billable Date	Select Default or Custom. With Default, accounts are billed according to conventional calendar periods. With the Custom option, accounts are charged on a date of your choosing. The start and end dates follow your custom schedule. For example, you can stagger your quarterly billing by scheduling a portion of your business in January (for January-March, April-June, July-September and October-December), then create another management fee setting for the next portion in February (for February-April, May-July, August-October and November-January), and a third management fee setting for the final portion in March (for March-May, June-August, September-November and December-February).
Upcoming Billing Periods	This field displays the billing periods you selected.
Exclude Accrued Interest	Check Yes to exclude accrued interest from bonds in the billable balance of your accounts.
Management Fee	Select either Deduct From Custodian Account or Send Invoice to Client. With Deduct From Custodian Account, a 0 will appear at the bottom of the bill. Fees are deducted from the custodian, and show up as transactions the next time transactional accounts are deducted With Send Invoice to Client, an amount appears at the bottom of the bill and clients must remit payment to you.
Billing Disclosure	If desired, select a custom disclosure to appear on the Billing Summary. You must have already created and saved a billing disclosure before you can select it here. Billing disclosure are created within Global Settings, under the Account menu.

11. At the bottom of the Fee Management window, click **Create.**

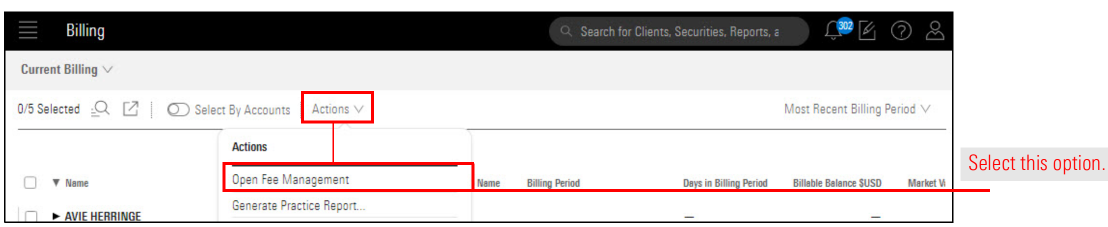
How do I copy a management fee?

You can also copy a management fee you've already created. Once copied, you can then make changes to the fee. To copy a management fee, do the following:

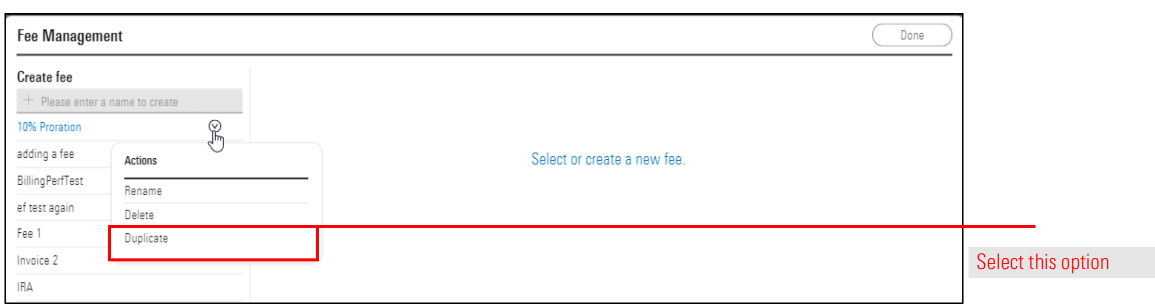
1. From the **Menu**, select **Billing**. The Billing page opens.



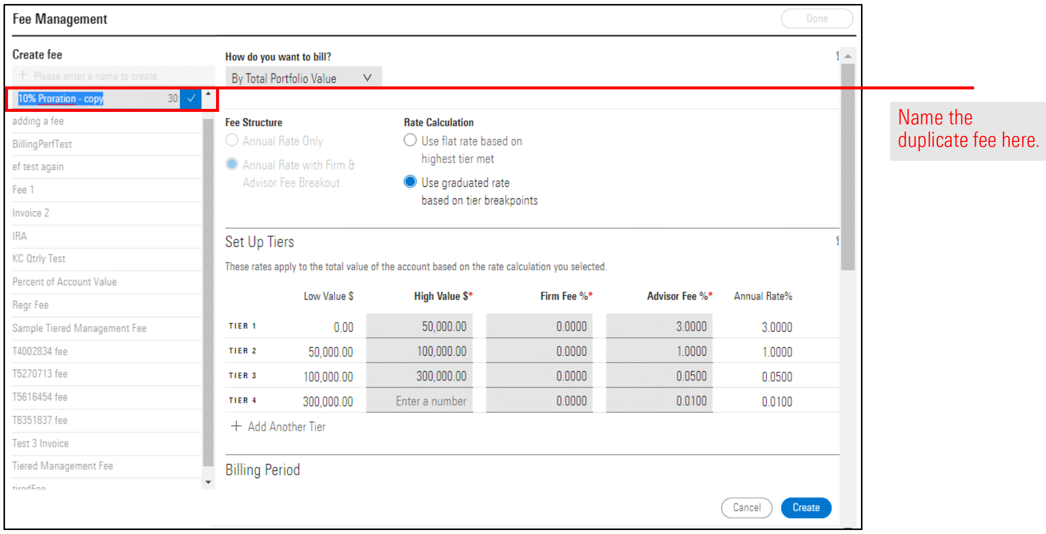
2. Click **Actions > Open Fee Management.** The Fee Management dialog box opens.



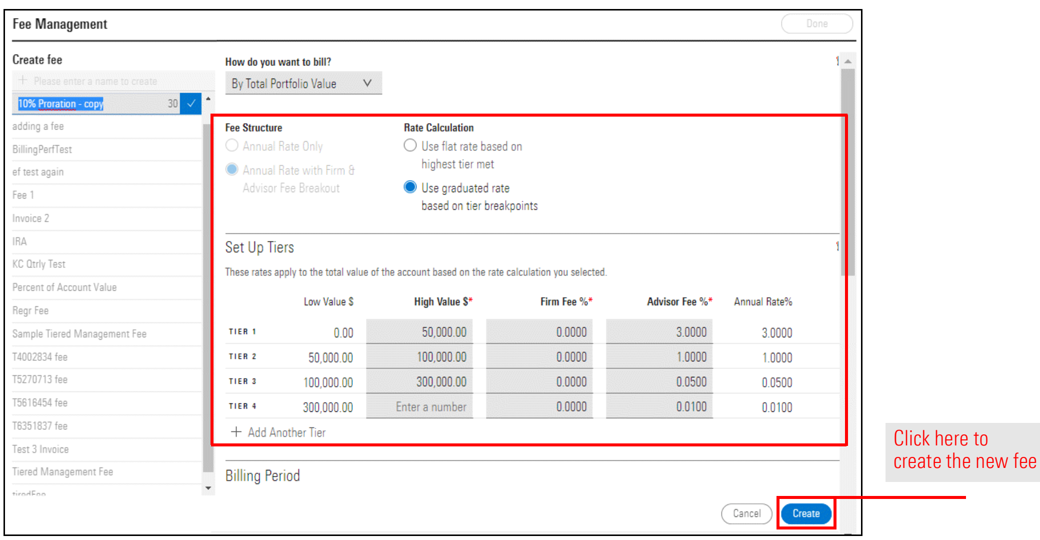
3. **Hover the cursor** over the row of the management fee you want to copy. The Actions icon appears. Click the **Actions** icon. The Actions menu opens.
4. From the Actions menu, select **Duplicate**. A new row appears.



5. In the text box, type a **name** for your duplicate management fee. Then click the **check mark** next to the text box.



6. Change any of the setting within the Fee Management settings options, then click **Create**.



Assigning Management Fees

Overview

After you create your management fees, you can assign them to clients. For each client or account, assign the following settings:

- management fee
- fee methodology
- discount (optional), and
- fee allocation.

In this section, you will learn how to do the following:

- apply a fee calculation methodology (page 24)
- assign a management fee to a client or account (page 26)
- assign a management fee to multiple accounts (page 28)
- assign management fees using an administrator account (page 29)
- assign a management fee at the practice level (page 30)
- understand how management fees are paid (page 30), and
- apply an ongoing discount to a client or account (page 32).

How do I apply a fee calculation methodology?

Before assigning the management fees you created, you must first select a fee calculation methodology. The fee calculation methodology determines how fees are calculated. You can calculate billing fees in the following ways:

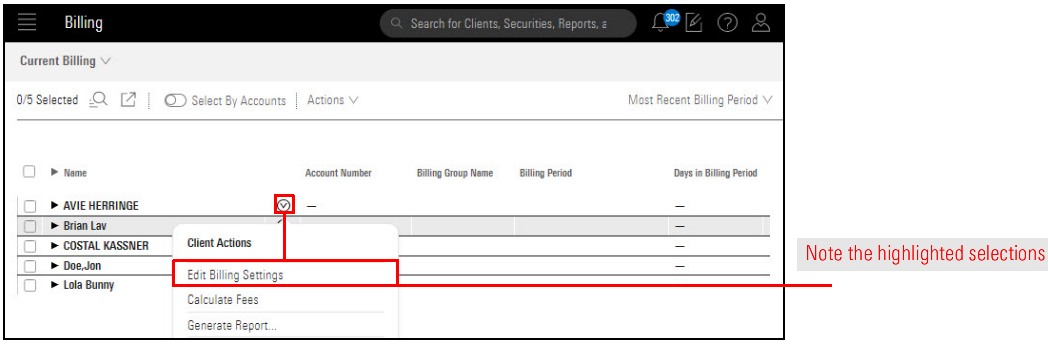
Fee Methodology	Definition
Client Aggregate	Aggregate all of a client's accounts into a single portfolio, and apply a single management fee to the aggregate.
Individual Account	Apply a management fee to each account individually.
Blended Rate	Apply separate management fees to different accounts, but change each account based on the size of the entire aggregate.

At the client-aggregate level, all of a client’s accounts are aggregated into one bill. At the individual account level, each account receives a separate bill.

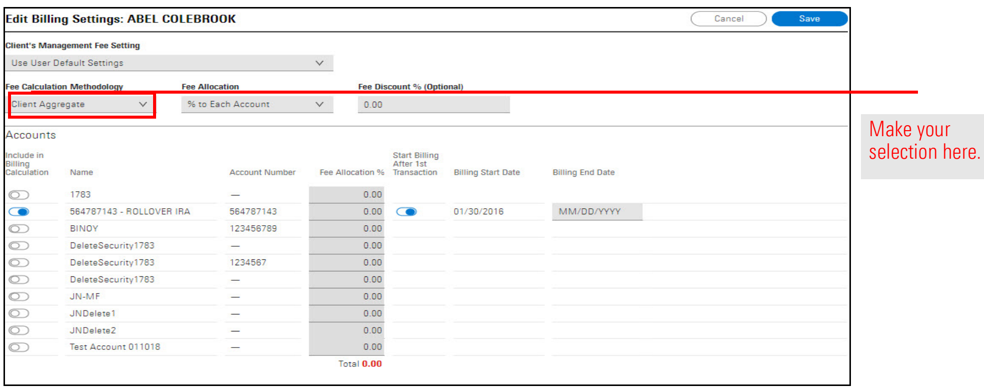
Based on the methodology you choose, assign management fees at that level. To assign a fee methodology, do the following:

1. On the Billing page, **hover the cursor** over the row of a **client**. The Actions icon is displayed.
2. Click the **Actions** icon to display the Actions menu.

3. From the **Actions** menu, select **Edit Billing Settings**. The Edit Billing Settings window opens.



4. From the **Fee Calculation Methodology** drop-down menu, select the **methodology** you want to use.



☞ Note: Do not click Done.

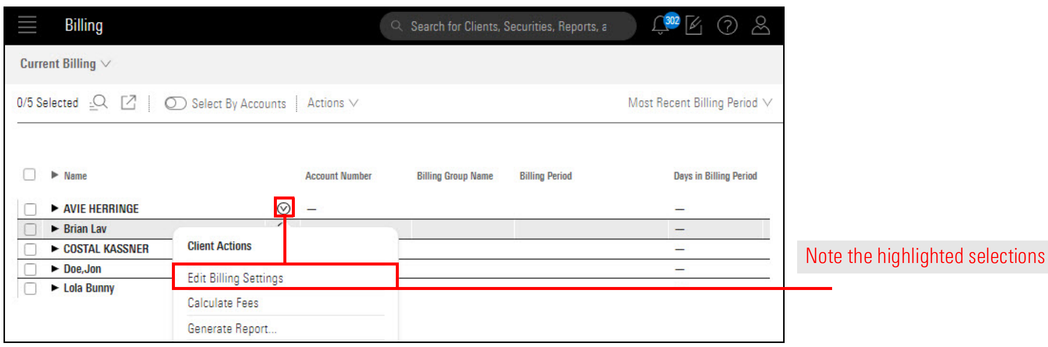
How do I assign a management fee to clients and accounts?

Now that you've created several management fees, the next step is to assign a management fee to your clients and accounts. Management fees can be assigned at the following levels:

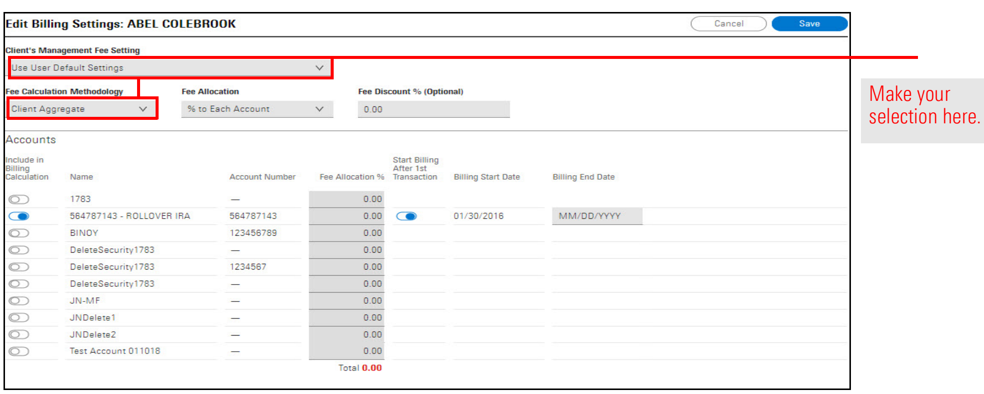
- practice
- multiple clients
- client aggregate
- individual accounts.

This section describes how to assign a management fee to a clients and accounts. Do the following;

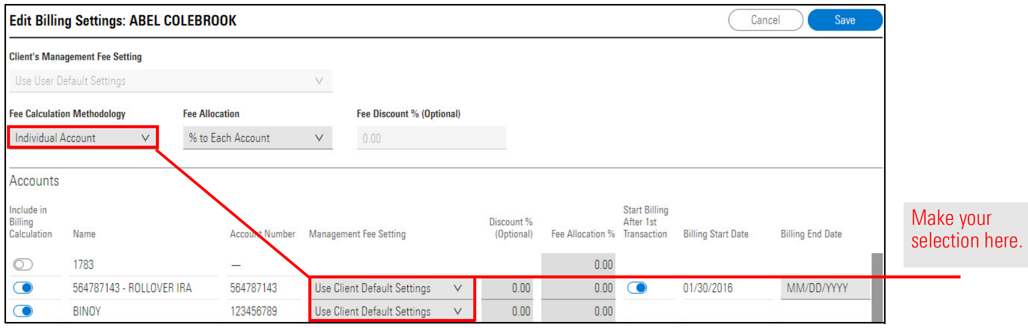
1. On the Billing page, **hover the cursor** over the row of a **client**. The Actions icon is displayed.
2. Click the **Actions** icon to display the Actions menu.
3. From the **Actions** menu, select **Edit Billing Settings**. The Edit Billing Settings window opens.



4. To assign at the client aggregate level, from the **Fee Calculation Methodology** drop-down menu, select **Client Aggregate.**
5. From the **Client's Management Fee** drop-down menu, select the **management fee** you want to use.



6. To assign at the individual account level, from the **Fee Calculation Methodology** drop-down menu, select **Individual Account.**
7. For each individual account, from the **Management Fee** drop-down menu, select the **management fee** you want to use.



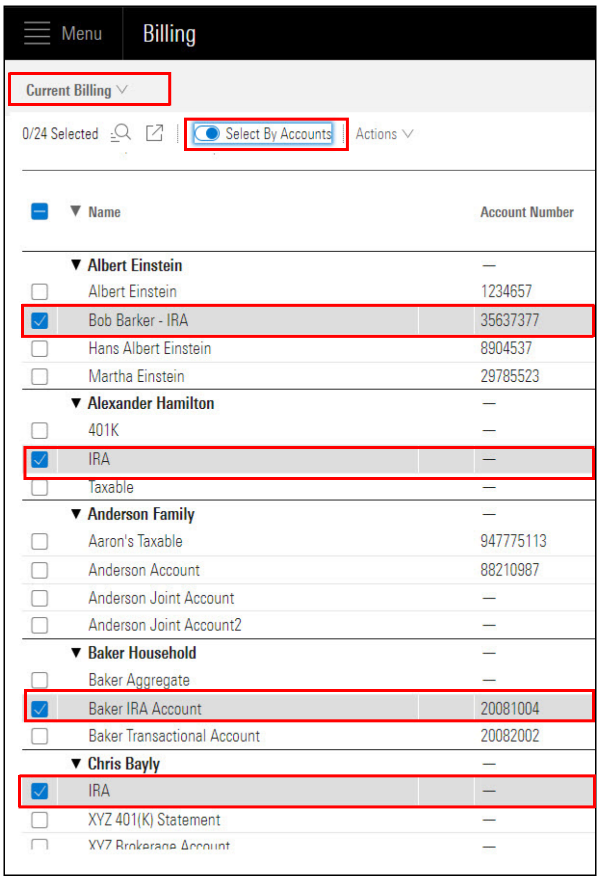
How can I assign a single account fee to multiple accounts?

Suppose your firm has changed the fee structure for traditional IRAs, and many of your clients have IRA accounts. You can change the account fee for multiple accounts.

Do the following:

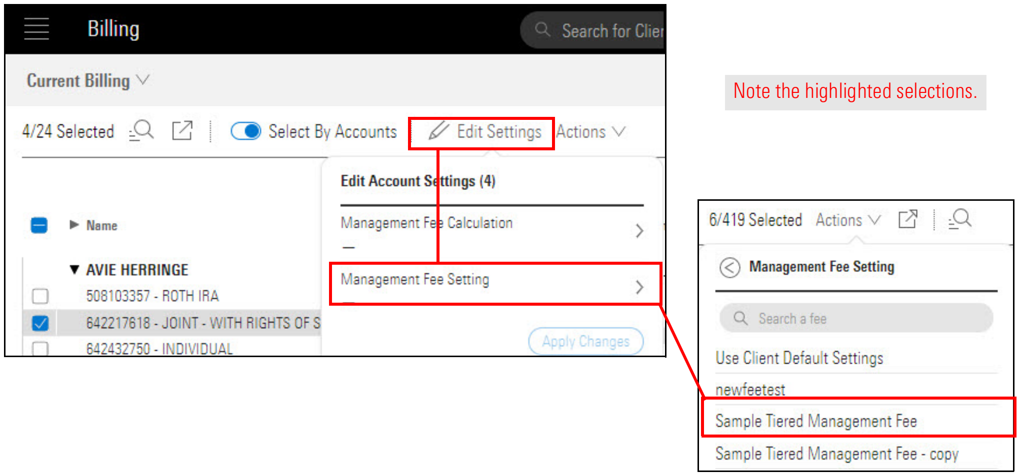
1. From the **Menu**, select **Billing**. The Billing page opens.
2. At the upper-left corner of the window, make sure **Current Billing** is selected.
3. Click the slider next to **Select By Accounts**.
4. In the list, select **accounts** by clicking the **checkbox** at the beginning of each row for an account whose billing fee you want to change.

   ☞ Note: The accounts can be from different clients.



Note the highlighted selections.

5. From the **Edit Settings** menu, select **Management Fee Settings**.
6. From the **Assign Fee** menu, select a **fee**. The fee is saved automatically.

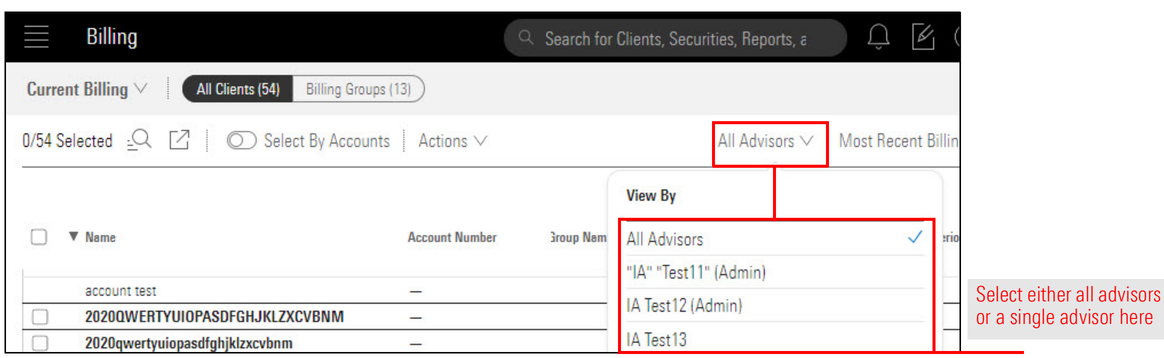


How do I assign management fees as an administrator?

In firms with multiple advisors, an administrator account may be granted to one or more members of your firm. Administrator accounts have access to all clients within the firm, regardless of which advisor owns clients. When it comes to billing, the administrator can assign settings, calculate fees, and create billing reports for a single advisor or all advisors within a firm.

To assign management fees as an advisor, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.
2. At the upper-left corner of the window, make sure **Current** is selected.
3. In the upper-right corner of the window, click the **View By Advisor** drop-down menu.
4. Select **All Advisors** or an **individual Advisor** within your Firm.



Note: This menu is available with administrator accounts only.

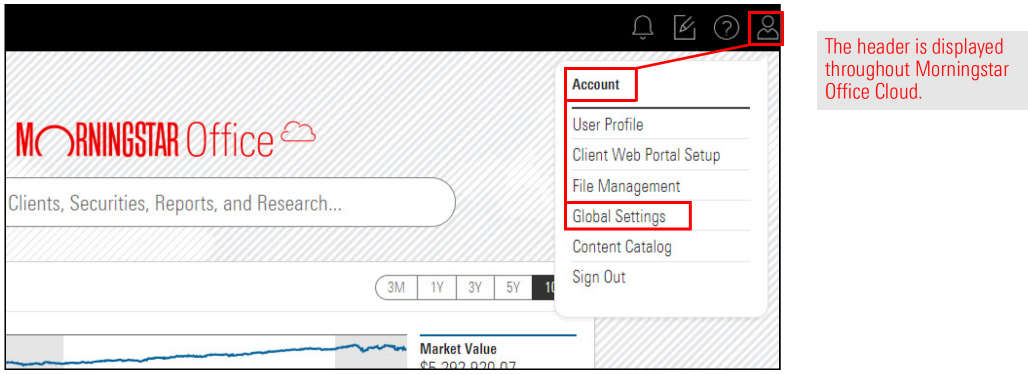
5. Setup fees for **clients**:
   - To setup fees for a single client, follow the instruction in How do I assign a management fee to clients and accounts? on page 26.
   - To set up fees for multiple clients at once, follow the instructions inHow can I assign a single account fee to multiple accounts? on page 28.

How can I assign a management fee at the practice level?

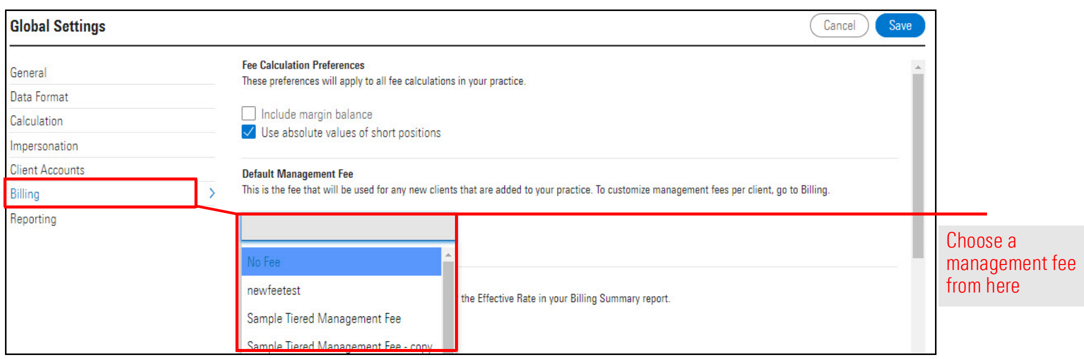
In addition to assigning management fees at the client and account levels, you can also assign a fee for your practice. This setting is applied to each new client, unless you manually change it at the client level.

To assign a fee for your practice, do the following:

1. In the header area, click the **Account** icon, then select **Global Settings**. The Settings window opens.



2. From the Navigation pane on the left, select the **Billing** tab.
3. From the **Default Management Fee** menu, select the **management fee** you want to assign to your practice.



4. Click **Save**.

How are management fees paid?

When creating your management fee, you determine whether you want fees deducted from your clients' custodian accounts, or whether you want to send each client an invoice. If you choose to send an invoice, the client is responsible for sending payment.

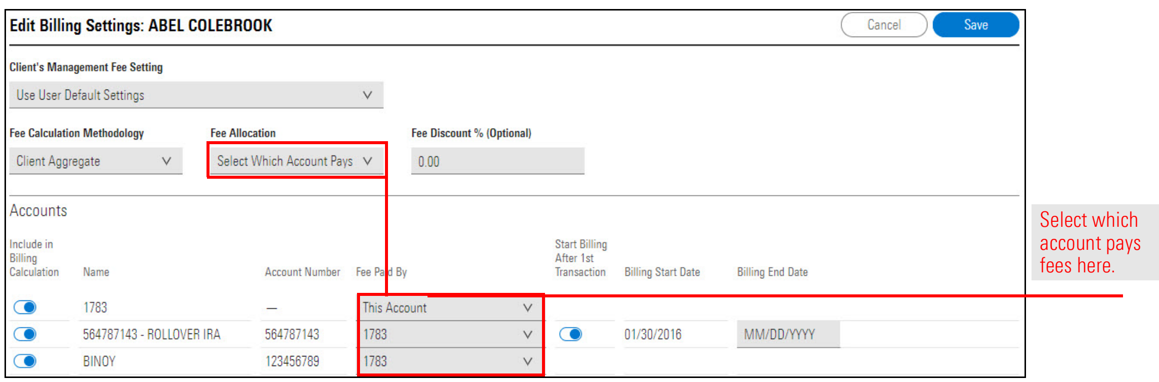
If you choose to have fees deducted from a custodian account, you can allocate fees in the following ways:

- Each account pays for itself
- Designate an account to pay for another account, or
- Assign a percentage to each account.

If each account pays its own fees, you do not need to make any changes to the Edit Billing Settings box.

To select an account to pay fees for another account, do the following:

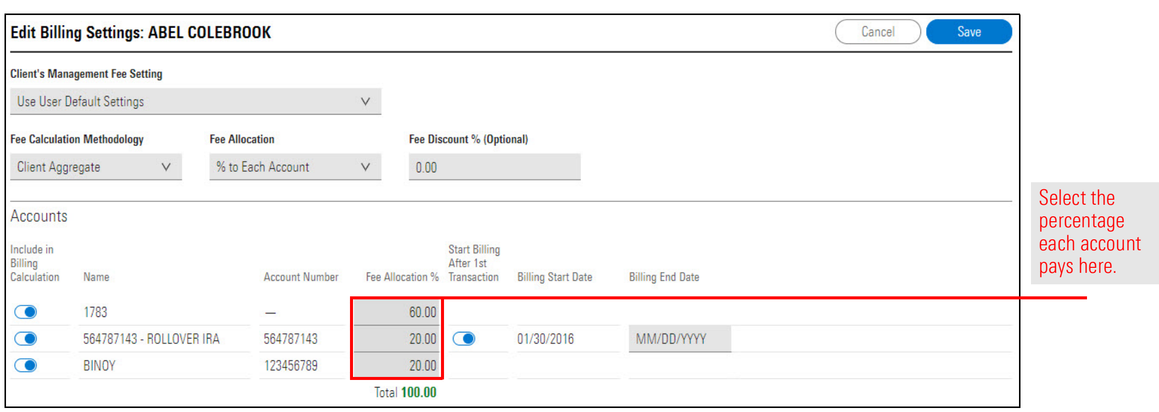
1. From the **Fee Allocation** drop-down menu, choose **Select With Account Pays.** The Fee Paid By column is added to the Accounts area.
2. For each account, make a **selection** from the **Fee Paid By** drop-down menu.



3. Click **Save**.

To assign each account a percentage of the bill, do the following:

1. From the **Fee Allocation** drop-down menu, choose **Select With Account Pays.** The Fee Paid By column is added to the Accounts area.
2. For each account, make a **selection** from the **Fee Paid By** drop-down menu.

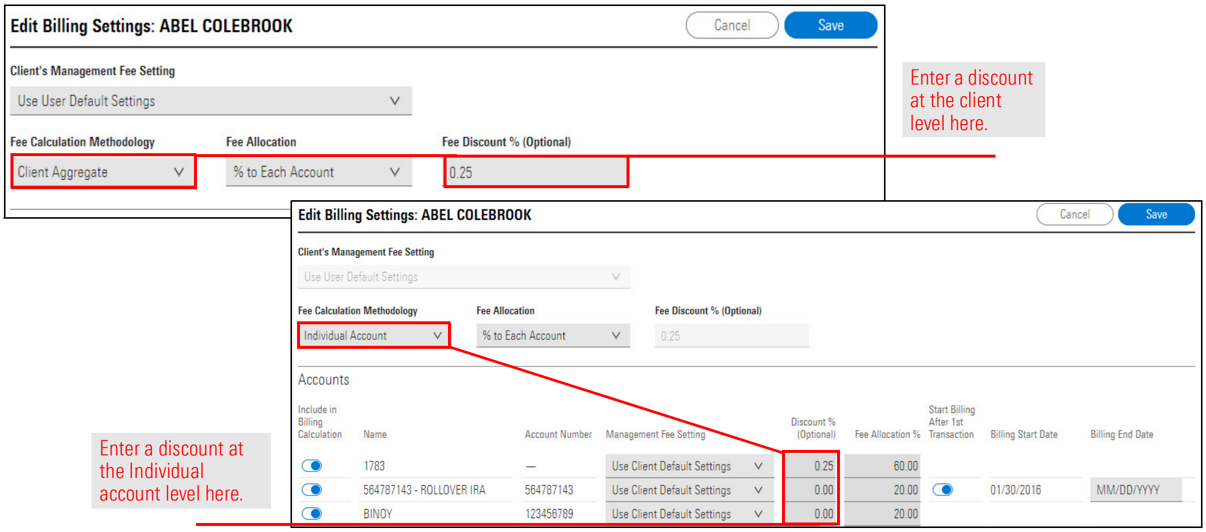


How do I apply a discount to a client or account?

In some cases you may want to apply an ongoing fee discount percentage to a client or individual account. For example, you assign a management fee with a 1% annual fee percentage to the client, then enter a discount of 25 basis points. The result? Your client will be charged .75% annually.

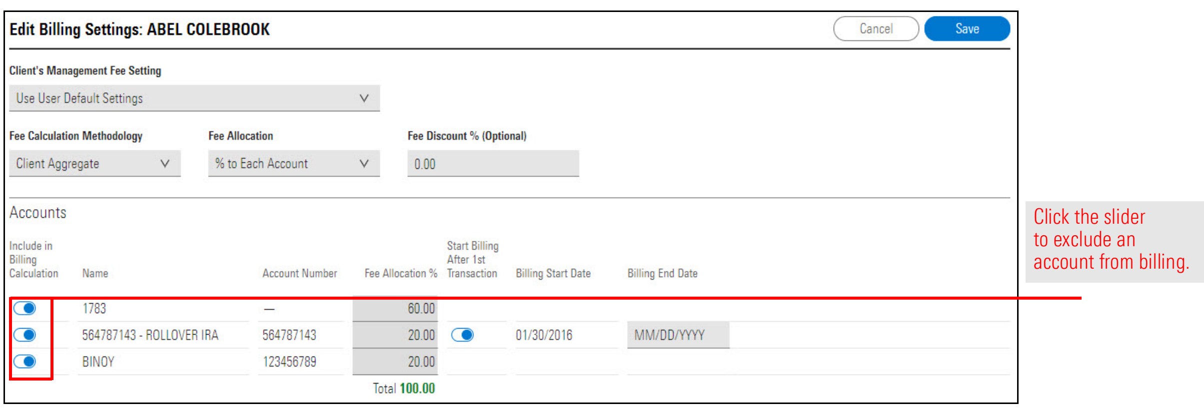
Before entering a a fee discount percentage, select the appropriate fee calculation methodology.

- To apply a discount at the client level, select Client Aggregate.
- To apply a discount at the individual account level, select individual Account.



How do I exclude an account from billing?

To exclude an account from billing calculations, in the Edit Billing Settings box, click the slide next to the account you want to exclude.



Calculating Management Fees

Overview

After creating management fees and assigning billing settings to clients, you can then calculate fees. This section describes how to calculate billing fees.

In this section, you will learn how to do the following:

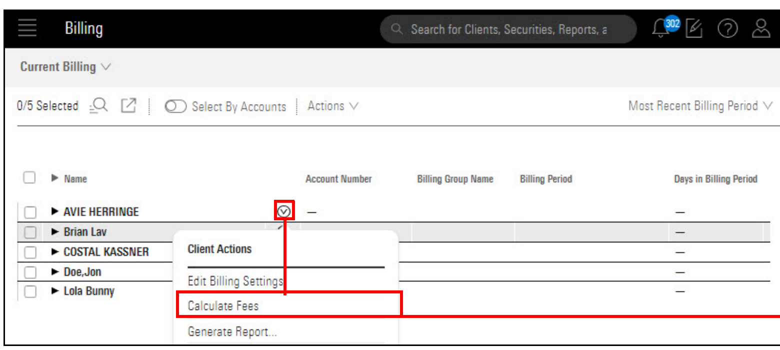
- calculate billing fees (page 33)
- calculating billing fees for new clients in advance immediately (page 34)
- view historical management fees (page 36)
- export billing data to Microsoft® Excel® (page 37)
- include or exclude multiple accounts from the billing calculations (page 38), and
- learn if an account is excluded from aggregation (page 39).

How do I calculate billing fees?

When calculating fees, simply select a billing period and Morningstar Office Cloud takes care of the rest.

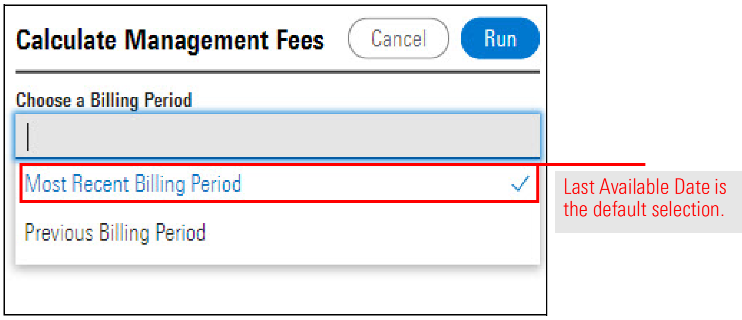
To calculate fees, do the following:

1. On the Billing page, **hover the cursor** over the row of a **client**. The Actions icon is displayed to the right of the client name.
2. Click the **Actions** icon to display the Actions menu.
3. From the **Actions** menu, select **Calculate Fees**. The Calculate Fees dialog box opens.

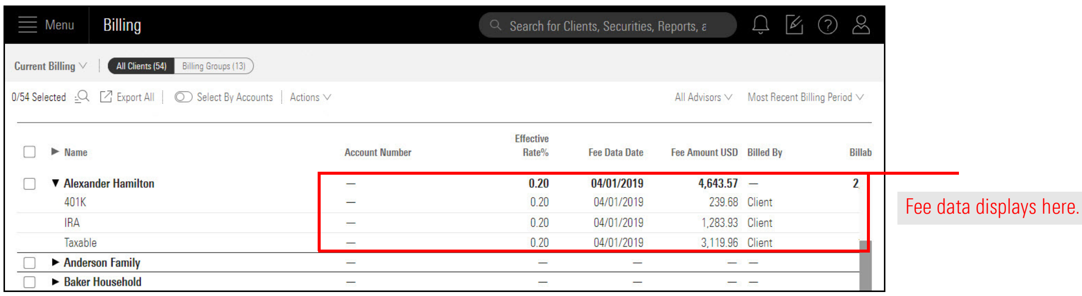


Note the highlighted selections

4. From the **Choose a Billing Period** menu, select **Most Recent Billing Period** or **Previous Billing Period**, then click **Run**.



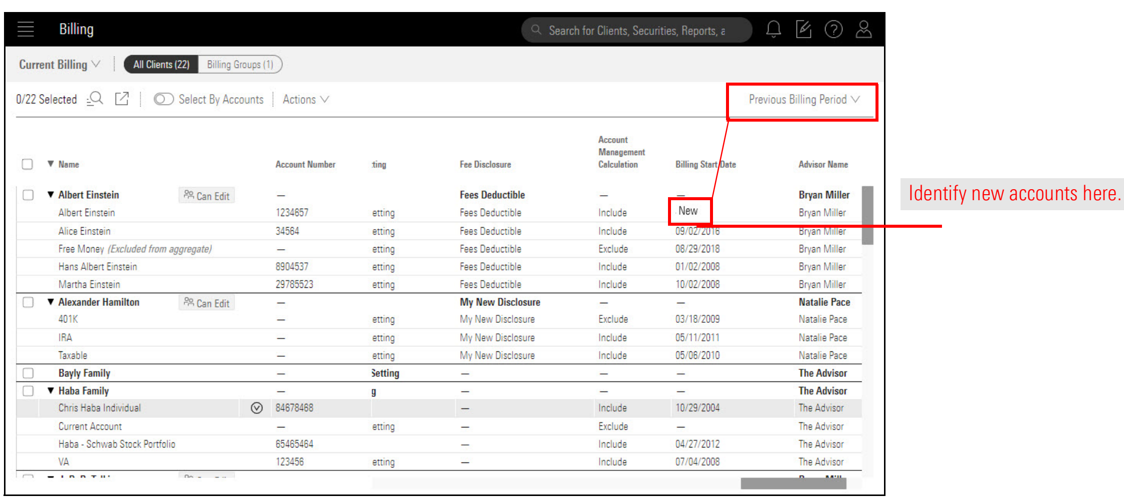
5. On the **Billing** page, you can see the results of the calculations.



How can I calculate fees for new accounts in advance immediately?

When billing clients in advance, you can bill new accounts immediately. New accounts must be added during the current billing cycle that you are billing in or the previous billing cycle, and a management fee set to bill in advance must be assigned to the new account.

To identify accounts that were added during the previous billing cycle, from the View by Billing period menu, change the **View By Billing Period** menu to **Previous Billing Period.** In the Billing Start Date column, note any accounts marked as New.



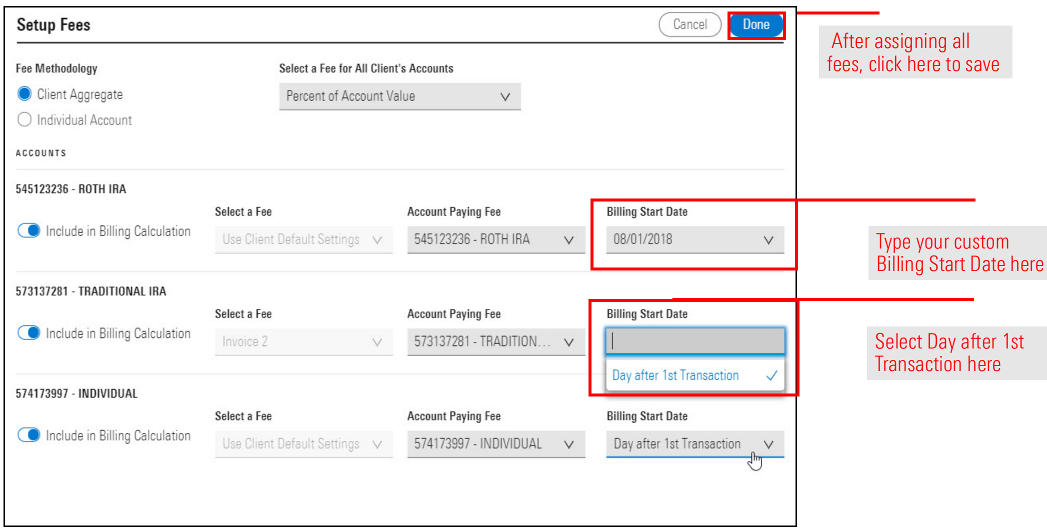
☞ Note: Review Creating Management Fees on page 6 to create a management fee billing in advance.

After assigning a billing in advance management fee, complete the following two steps to bill a new account immediately:

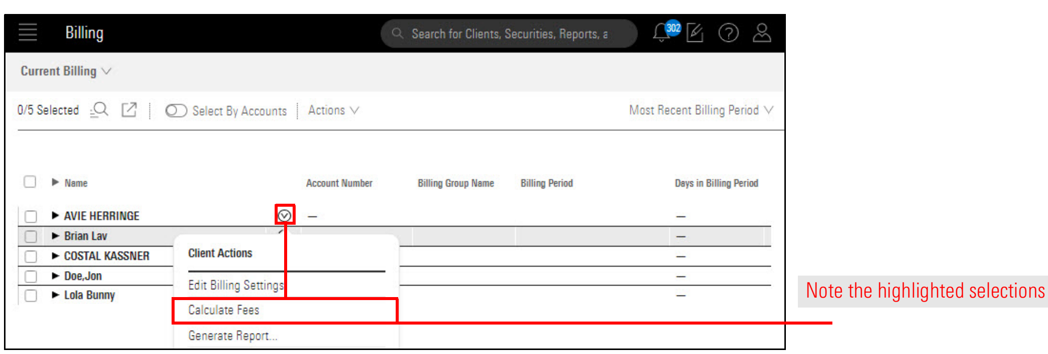
- assign a billing start date within Setup Fees; and
- select Bill immediately on new account within Calculate Fees.

To bill a new account in advance immediately, do the following:

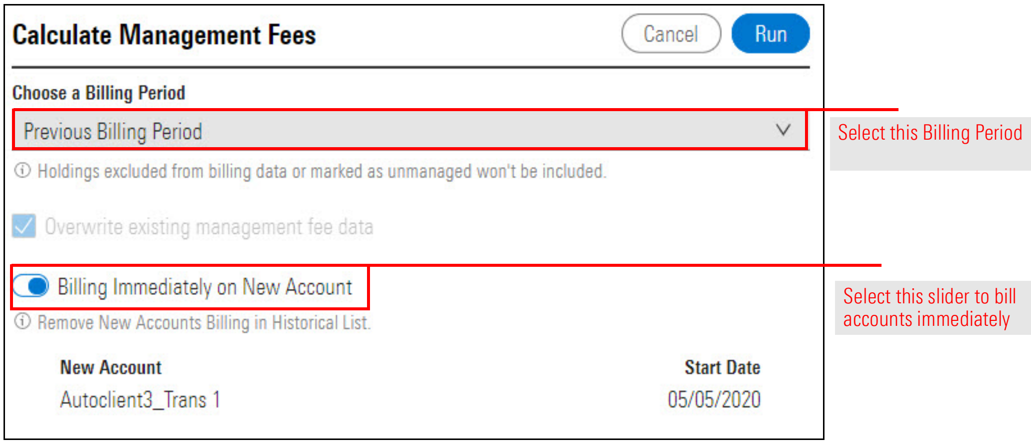
1. For each account, From the **Billing Start Date** field, select **Day after 1st Transaction** or type a custom **Start Date**.



2. Click **Done**.
3. On the Billing page, **hover the cursor** over the row of a **client**. The Actions icon is displayed.
4. Click the **Actions** icon to display the Actions menu.
5. From the **Actions** menu, select **Calculate Fees**. The Calculate Management Fees window opens.



6. From the **Choose a Billing Period** drop-down menu, select **Previous Billing Period.**
7. Slide the **Billing Immediately on New Account** slider to activate.



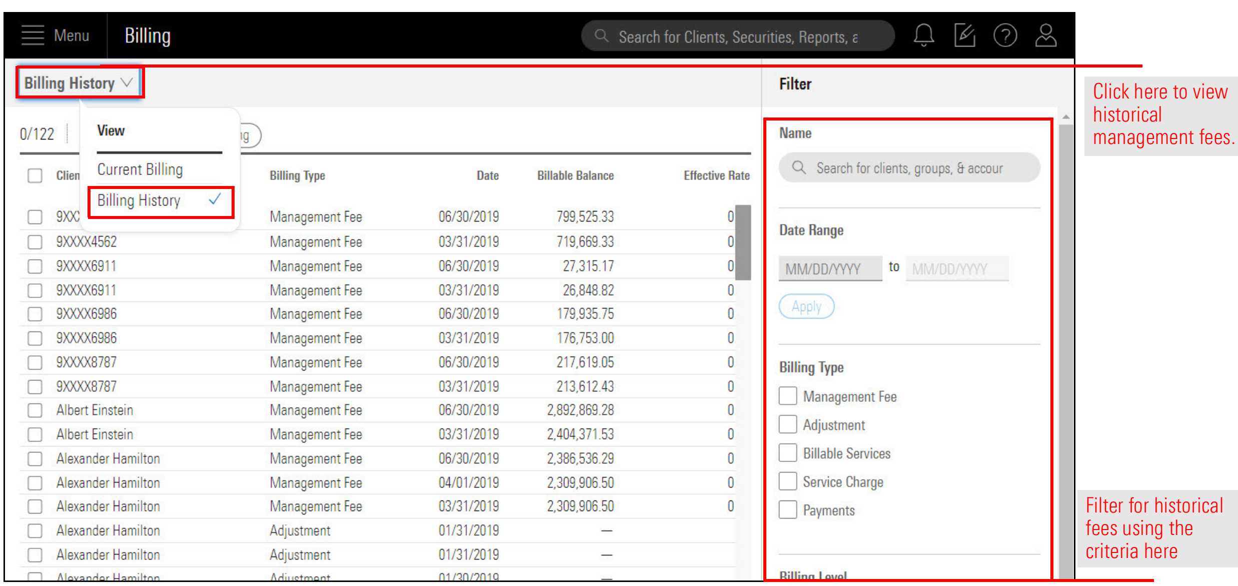
☞ Note: The new account will be noted within the Calculate Management Fees window.

8. Click **Run**.

How do I view historical management fees?

When you calculate fees, they apply to only the current period. However, you can view prior management fees on the Billing page.

To view historical management fees, at the top of the Billing page, click **Billing History**. the prior date management fees are displayed. You can also filter for fee types, using the filter panel on the right side of the screen.

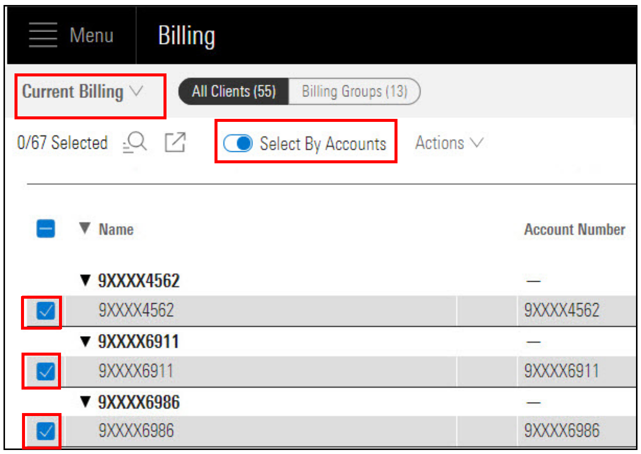


How can I export billing data to Microsoft Excel?

At times, you might want to export a client's or account's billing view to Microsoft® Excel® so that you can download, print, or share the information.

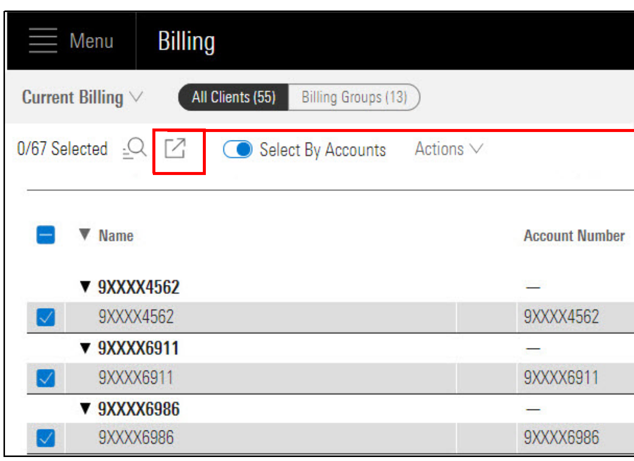
To export a billing view, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.
2. At the upper-left corner of the window, select either **Current** or **Historical**.
3. In the Actions for area, select **Clients** or **Accounts**.
4. Select an **account** or **client** by clicking the **checkbox** at the beginning of its row.



Note the highlighted selections.

5. Click the **Export All** icon. The Save As window opens.



Click the Export icon to export the current or historical billing view for the selected client or account.

6. **Navigate** to a location on your system to save the exported file and click **Save**.

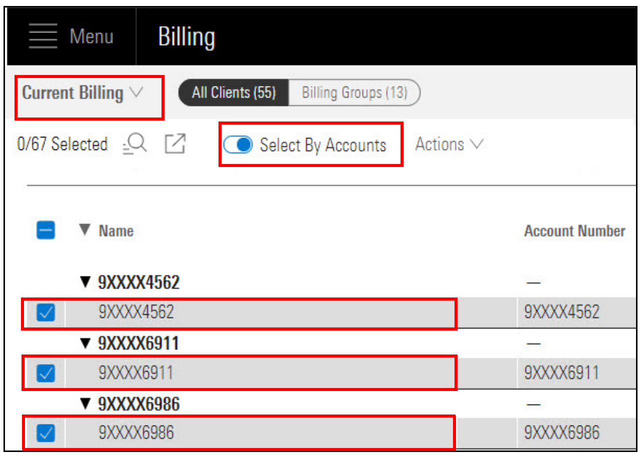
How can I include or exclude multiple accounts from the billing calculations?

You can include or exclude multiple accounts from the billing calculations.

Do the following:

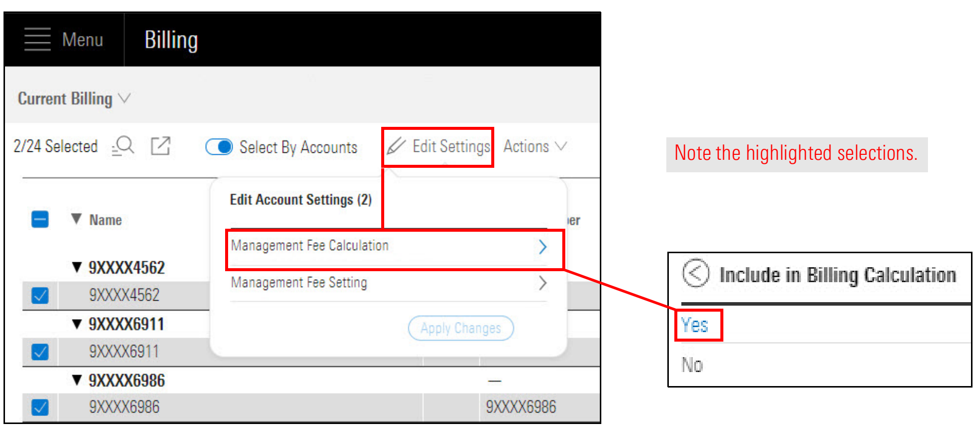
1. From the **Menu**, select **Billing**. The Billing page opens.
2. At the upper-left corner of the window, make sure **Current** is selected.
3. In the Actions for area, select **Accounts**.
4. Select **accounts** by clicking the **checkbox** at the beginning of row of an account to be included or excluded.

   ☞ Note: The accounts can be from different clients.



Note the highlighted selections.

5. From the **Action** menu, select **Include in Billing Calculation**.
6. From the **Include in Billing Calculation** menu, select **Yes** (to include) or **No** (to exclude).



Note the highlighted selections.

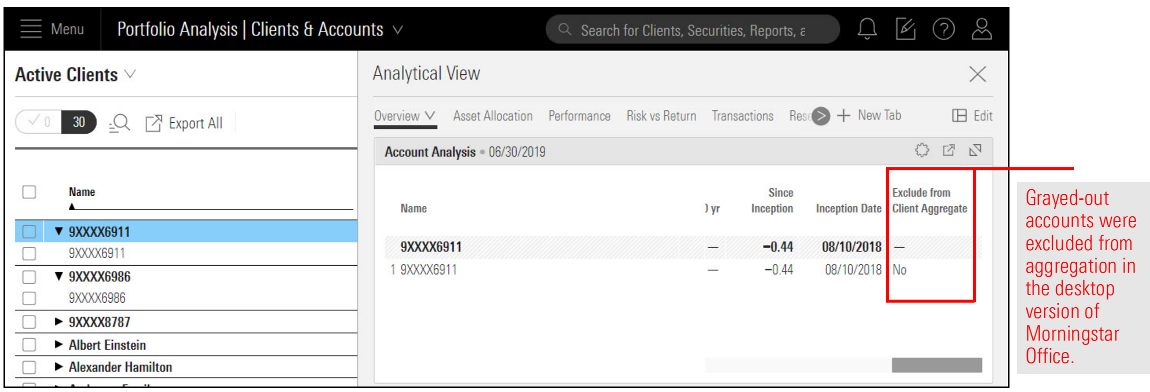
How can I learn if an account is excluded from client aggregation?

You can learn if an account is excluded from client aggregation without leaving the Clients & Accounts area.

Do the following:

1. In the Clients & Accounts workbook, select the **Overview** worksheet.
2. From the Clients Grid, select a **client**.
3. In the Account Analysis component, **scroll right** to view the new column, Excluded from Client Aggregation.

☞ Note: If the account is excluded from aggregation in the desktop version of Morningstar[SM] Office, it is grayed out in Morningstar Office Cloud.



Generating Billing Reports

Overview

Whether you choose to bill your client by invoice, or to have fees deducted from a custodian account, you can easily generate client bills and custodian files. You can also validate whether your client holds enough cash to cover the bill.

In this section, you will learn how to do the following:

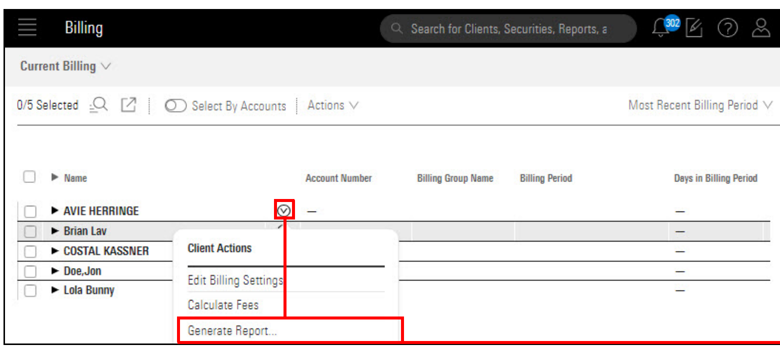
- generate a Client Billing Summary Report (page 40)
- generate a Custodian Fee Report (page 42), and
- generate an Insufficient Cash Accounts report. (page 43).

How do I generate a Client Billing Summary Report?

A Client Billing Summary Report is a bill that you send to the client, who is then responsible for paying it.

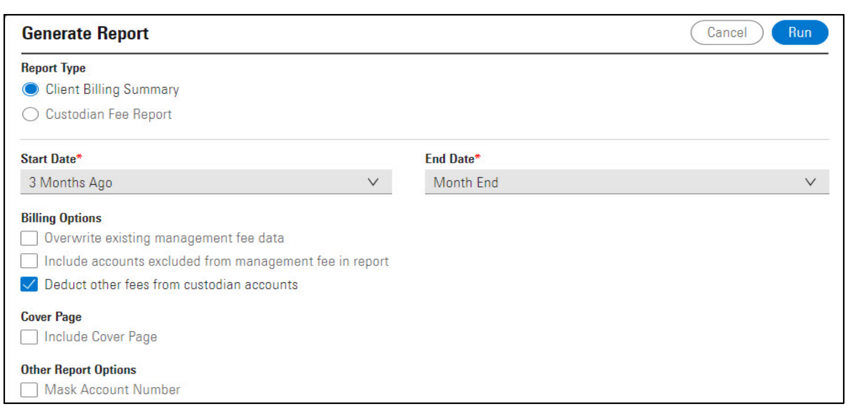
To generate a Client Billing Summary Report, do the following:

1. On the Billing page, **hover the cursor** over the row of a **client**. The Actions icon is displayed.
2. Click the **Actions** icon, then from the **Actions** menu, select **Generate Reports** > **Client Billing Summary**. The Client Billing Summary dialog box opens.



Note the highlighted selections

3. Select from the **options** for the following:
   - Report Type
   - Cover Page
   - Start Date, and
   - End Date.

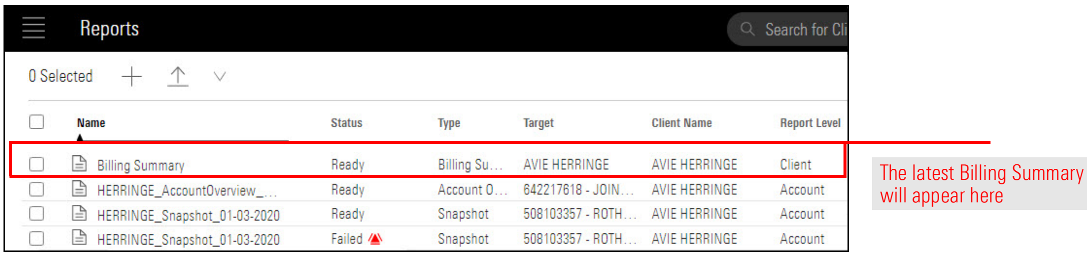


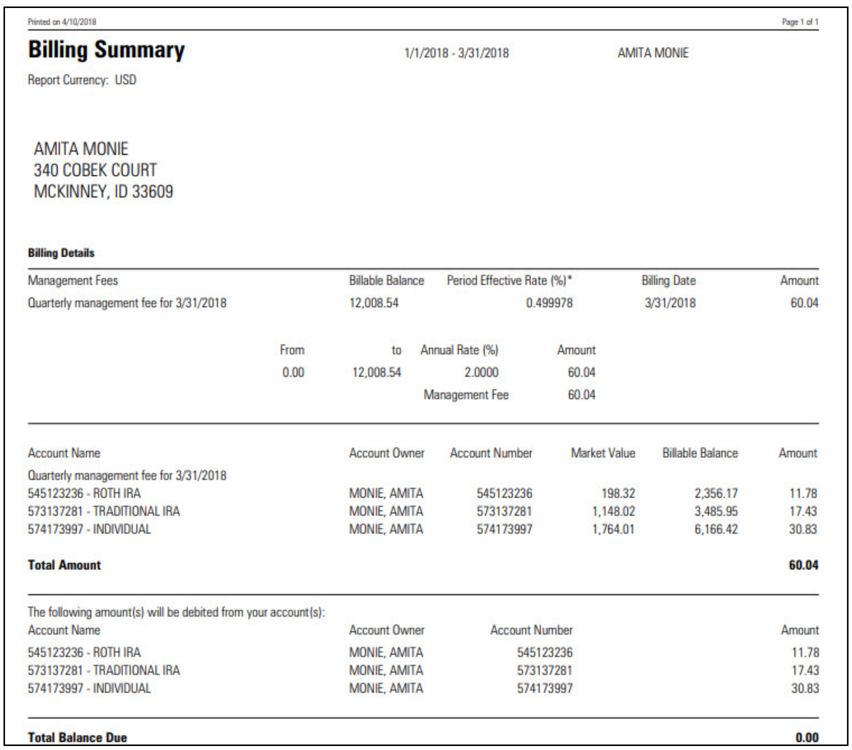
The default options are shown here.

4. Click **Run**. The report displays in a separate tab once it is finished running.

   ☞ Note: You must have your pop-up blockers turned off in order to view the report immediately.

5. From the **Menu**, select **Reports** to view the report from inside Morningstar Office Cloud.
6. On the Reports page, click the **client name** to view the report. The report opens as a PDF in a new browser window or tab.
7. Your report is displayed at the top of the list. Click the **report name** to view it. A PDF of the report opens in a new browser tab or window.





Printed on 4/10/2018 Page 1 of 1

Billing Summary 1/1/2018 - 3/31/2018 AMITA MONIE

Report Currency: USD

AMITA MONIE
340 COBEK COURT
MCKINNEY, ID 33609

Billing Details

Management Fees	Billable Balance	Period Effective Rate (%)*	Billing Date	Amount
Quarterly management fee for 3/31/2018	12,008.54	0.499978	3/31/2018	60.04

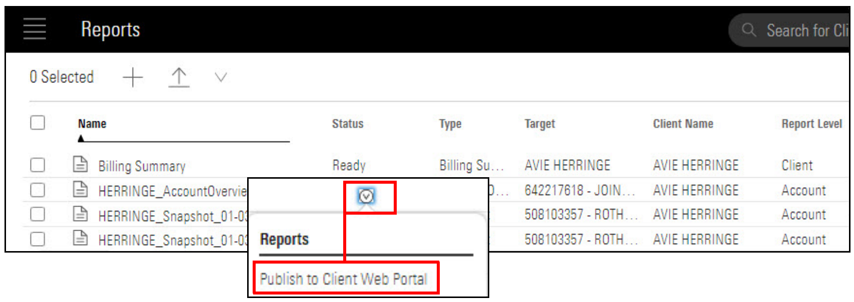
From	to	Annual Rate (%)	Amount
0.00	12,008.54	2.0000	60.04
		Management Fee	60.04

Account Name	Account Owner	Account Number	Market Value	Billable Balance	Amount
Quarterly management fee for 3/31/2018					
545123236 - ROTH IRA	MONIE, AMITA	545123236	198.32	2,356.17	11.78
573137281 - TRADITIONAL IRA	MONIE, AMITA	573137281	1,148.02	3,485.95	17.43
574173997 - INDIVIDUAL	MONIE, AMITA	574173997	1,764.01	6,166.42	30.83
Total Amount					**60.04**

The following amount(s) will be debited from your account(s):

Account Name	Account Owner	Account Number	Amount
545123236 - ROTH IRA	MONIE, AMITA	545123236	11.78
573137281 - TRADITIONAL IRA	MONIE, AMITA	573137281	17.43
574173997 - INDIVIDUAL	MONIE, AMITA	574173997	30.83
Total Balance Due			**0.00**

8. To send the report to the client, do one of the following:
   - Download the **PDF** and send it to the client via email, or
   - On the Reports page, **hover the cursor** over the **client's row**, then from the **Actions** menu, select **Publish to Client Web Portal**.



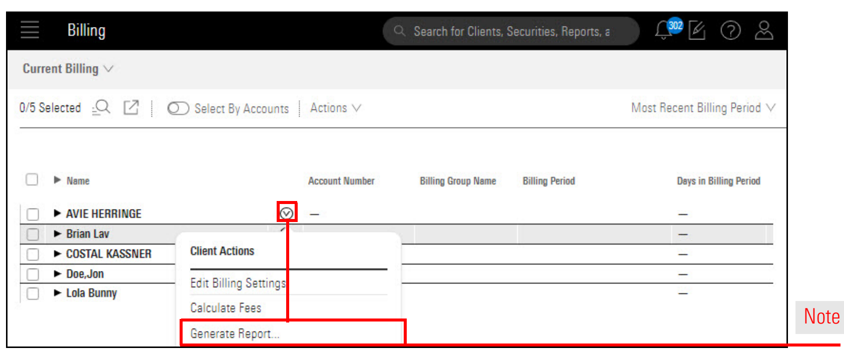
Note the highlighted selections

How do I create a Custodian Fee Report?

A Custodian Fee Report is a notice that is sent to the custodian, informing her that the fee is about to be deducted.

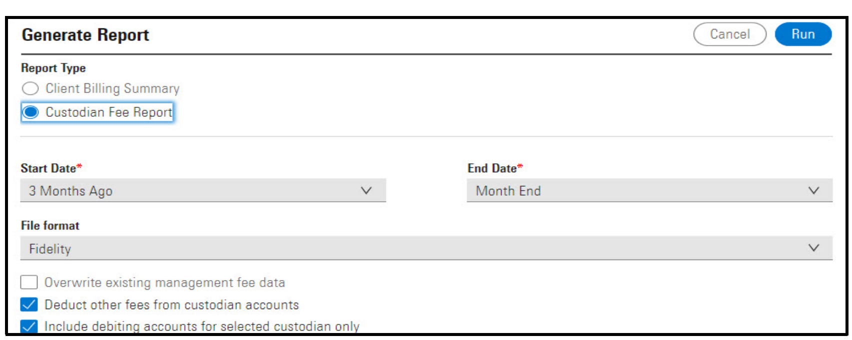
To create a Custodian Fee Report, do the following:

1. On the Billing page, **hover the cursor** over the row of a **client**. The Actions icon is displayed.
2. Click the **Actions** icon, then from the **Actions** menu, select **Generate Reports** > **Custodian Fee Report**. The Custodian Fee dialog box opens.



Note the highlighted selections

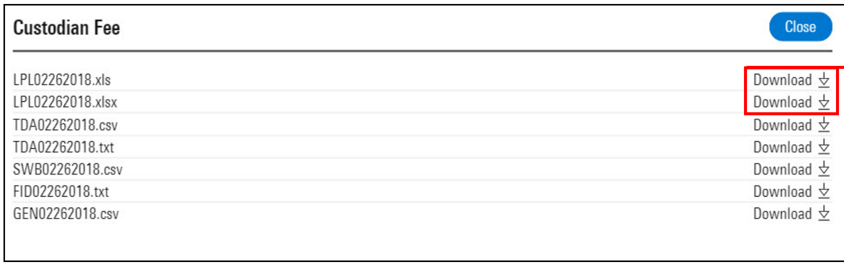
3. Select from the **options** for the following:
   - Start Date
   - End Date, and
   - File format.



The default options are shown here.

4. Click **Run**. The Custodian Fee dialog box opens.

5. Download each **Custodian Fee Report**, and **save** it to your local drive.



6. Click **Close**.
7. Follow instructions from your custodian website to upload the fee report.

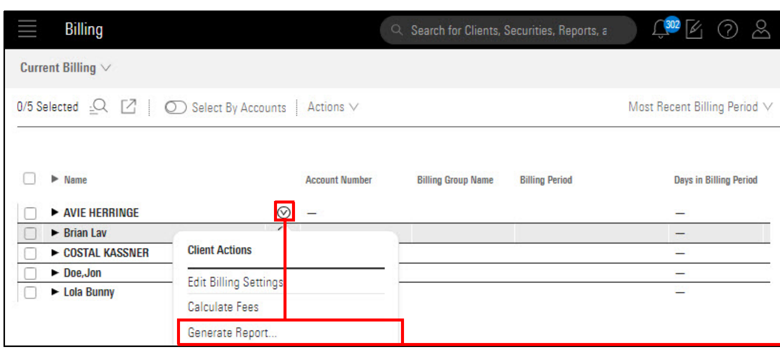
How do I create the Insufficient Cash Accounts report?

To ensure that an individual client or group holds enough to cash to deduct management fees from custodian accounts, run the Insufficient Cash Account report. This report can be run at the practice, group and individual client level.

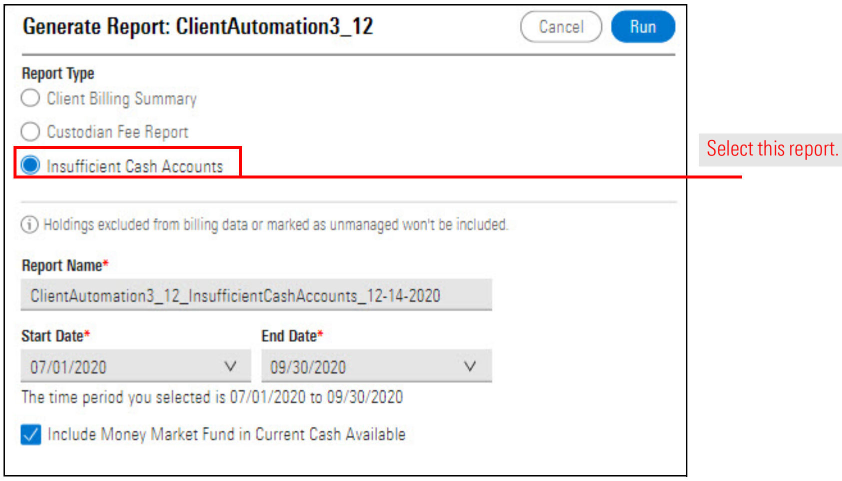
☞ Note: For instructions on running the Insufficient Cash Accounts report at the practice level, review How do I generate practice level billing reports? on page 66.

To run the Insufficient Cash Accounts report for a client, do the following:

1. On the Billing page, **hover the cursor** over the row of a **client**. The Actions icon is displayed.
2. Click the **Actions** icon, then from the **Actions** menu, select **Generate Reports.** The Generate Report dialog box opens.



3. From **Report Type**, select **Insufficient Cash Accounts**. In the Report Name field, enter a **name** for the report. (optional)
4. Select from the **options** for the following:
   - Start Date
   - End Date, and
   - Include Money Market Fund in Current Cash Available.



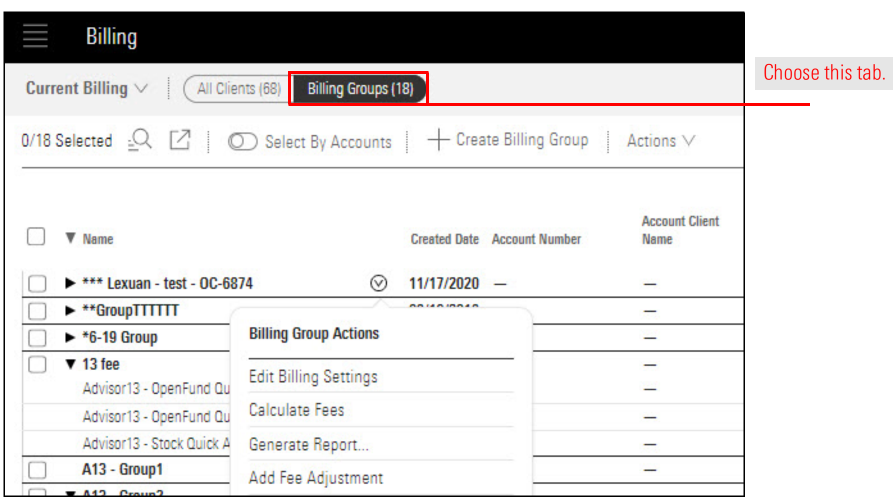
5. Click **Run**.

To run the Insufficient Cash Account report at the Group level, do the following:

1. On the Billing page header, select **Billing Groups**.

   Note: This tab is only available if you have previously created Billing Groups. For instructions on creating Billing Groups, review Billing by Groups on page 45

2. **Hover the cursor** over the row of a **group**. The Actions icon is displayed.
3. Click the **Actions** icon, then from the **Actions** menu, select **Generate Reports.** The Generate Report dialog box opens.



4. Follow steps **3 through 6** above.

Billing by Groups

Overview

In some cases, you may want to combine accounts from separate households together into a group, then bill on the group as a whole. For example, you may have a family of clients who want to calculate account performance at the household level, but want to bill all households together to take advantage of the lower breakpoint.

This section describes how do complete the following tasks:

- create a billing group
- assign settings to billing group, and
- complete the billing process.

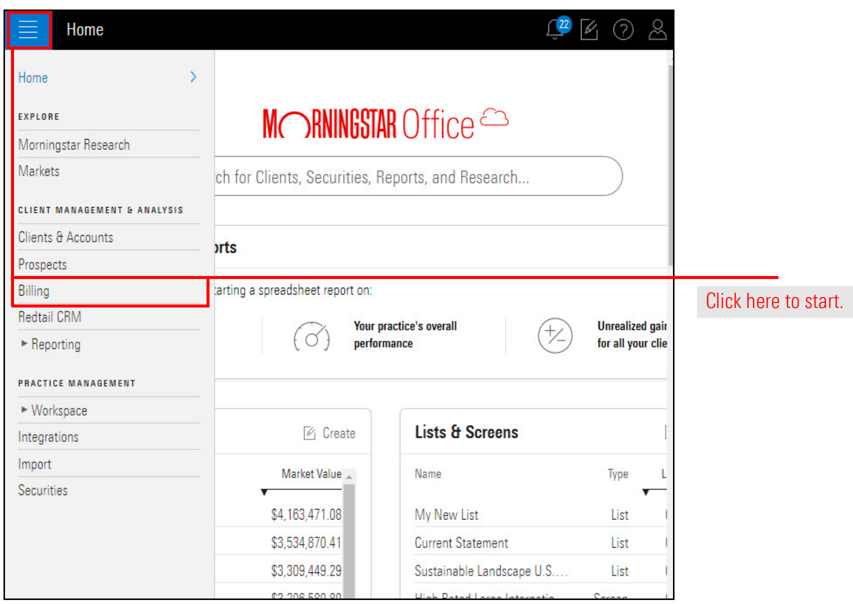
How do I create a billing group?

When creating a billing group, you must complete the following three steps:

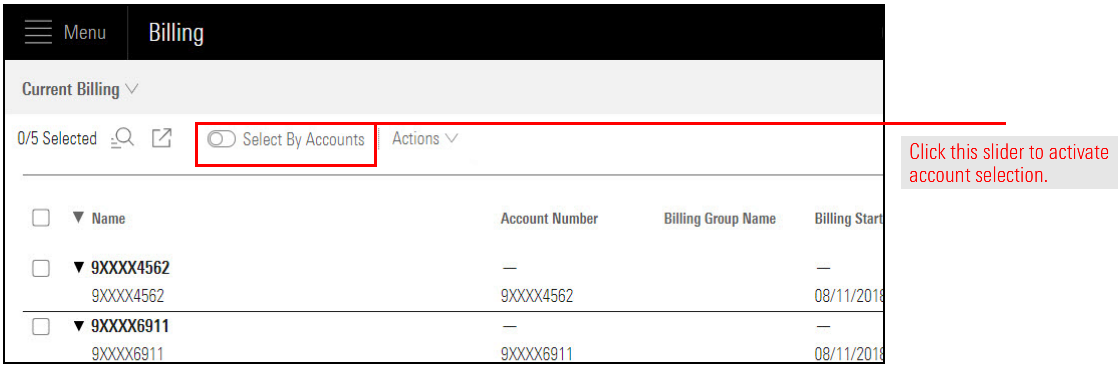
1. Select the accounts you want to include in the bill.
2. Name the billing group, and
3. Assign a billing owner. The billing owner will receive the billing summary if posted the Client Web Portal.

To create a billing group, do the following:

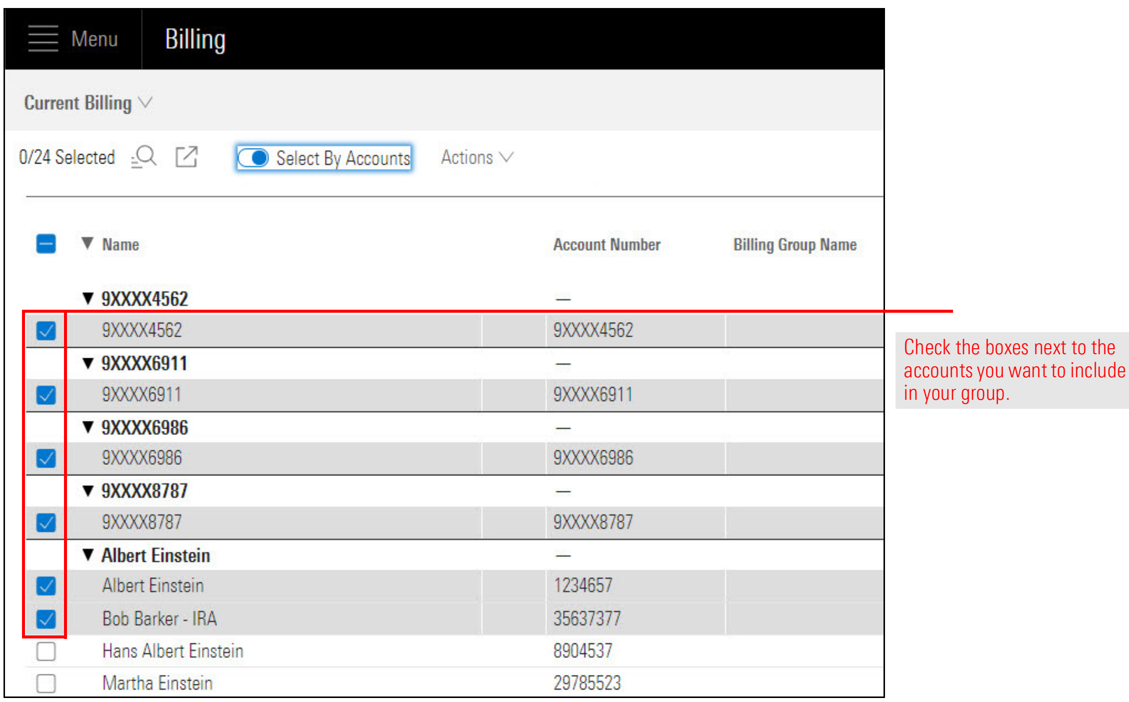
1. From the **menu**, select **Billing**. The Billing page opens.



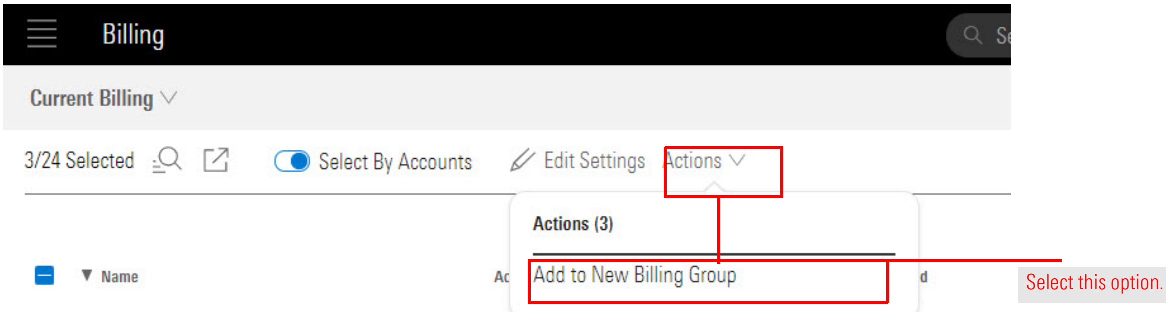
2. On the header, click the **slider** next to **Select by Accounts**.



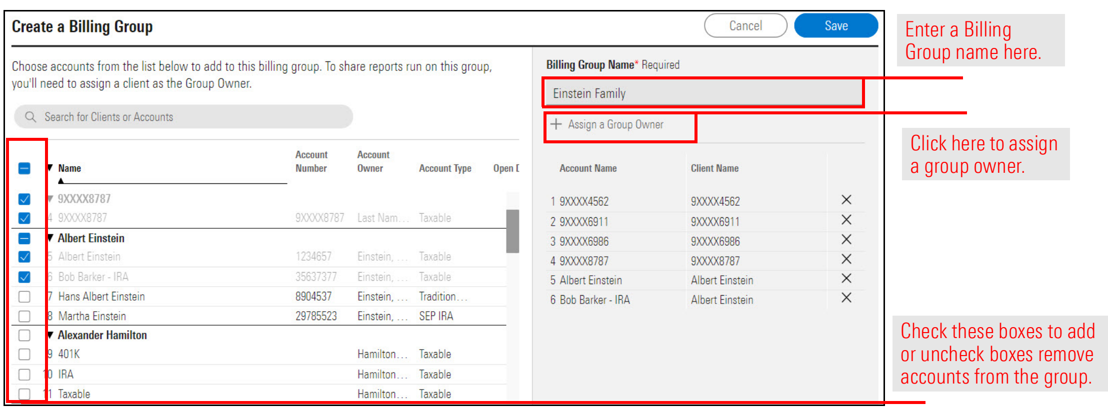
3. Select the **accounts** you want to include in the billing group.



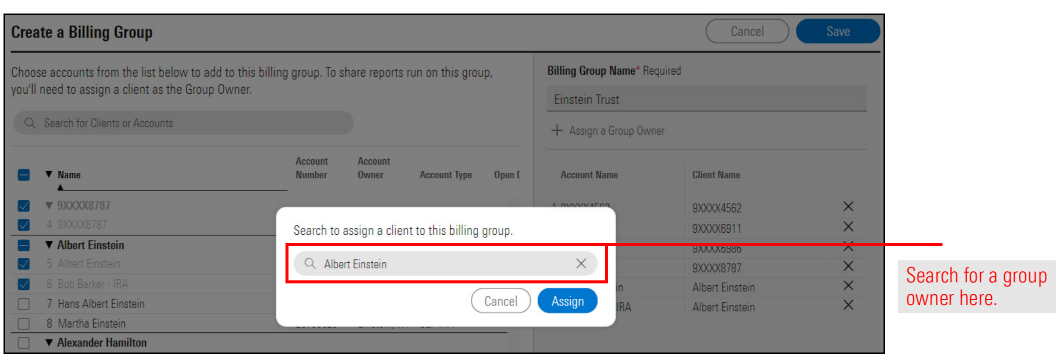
4. From the header, select the **Action** menu. Then select **Add to New Billing Group.** The Create a Billing Group box opens.



5. **Add** or **remove** any accounts from the billing group.
6. In the **Billing Group Name** field, type the **name** of the billing group.
7. Click **Assign a Group Owner**. A box opens.



8. In the search field, type the name of **client** you want to assign as group owner. Then click **Assign**.

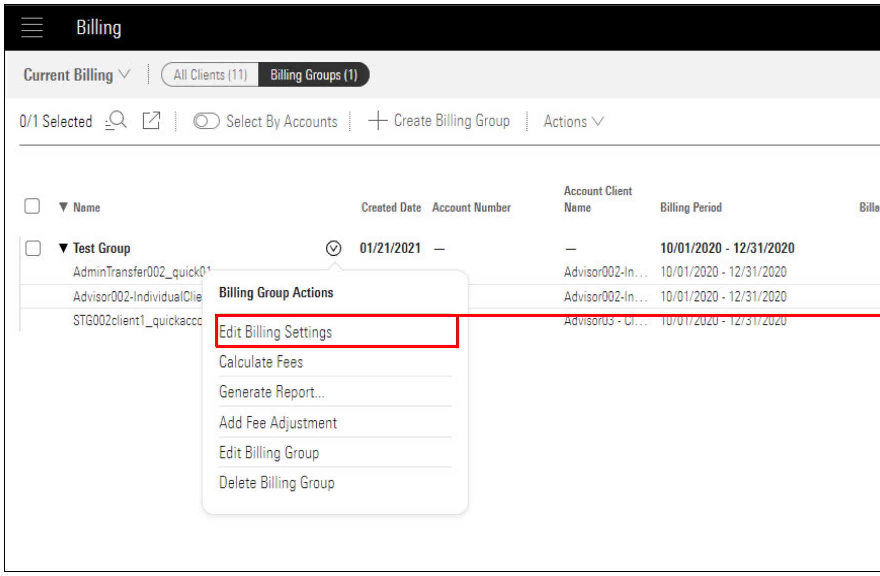


9. Click **Save**.

How do I assign settings to a billing group?

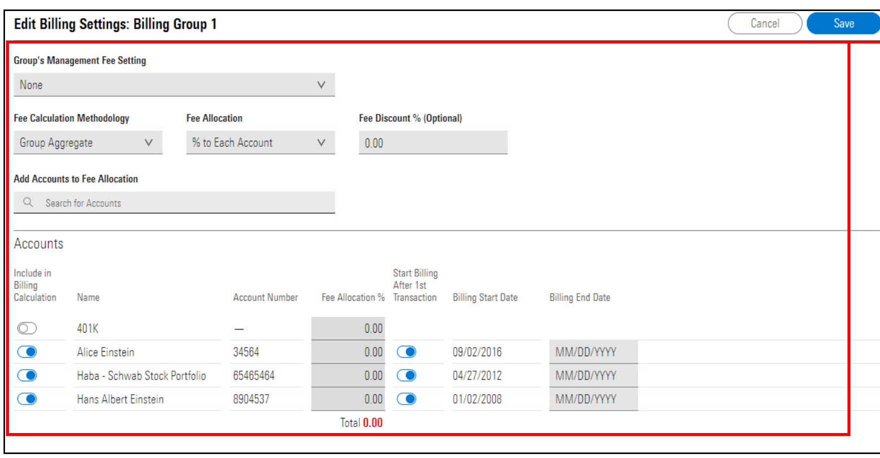
After you create your first billing group, a separate billing group tab appears on the billing header. To assign settings to the billing group, do the following:

1. From the header, click Billing Groups.
2. Hover over the group you want to assign settings to. Then click the **Actions ... Edit Billing Settings**. The Edit Billing Settings dialog box opens.



Search for a group owner here.

3. Follow the same steps to assign settings as you would for an individual household. See Assigning Management Fees on page 24 for instructions.

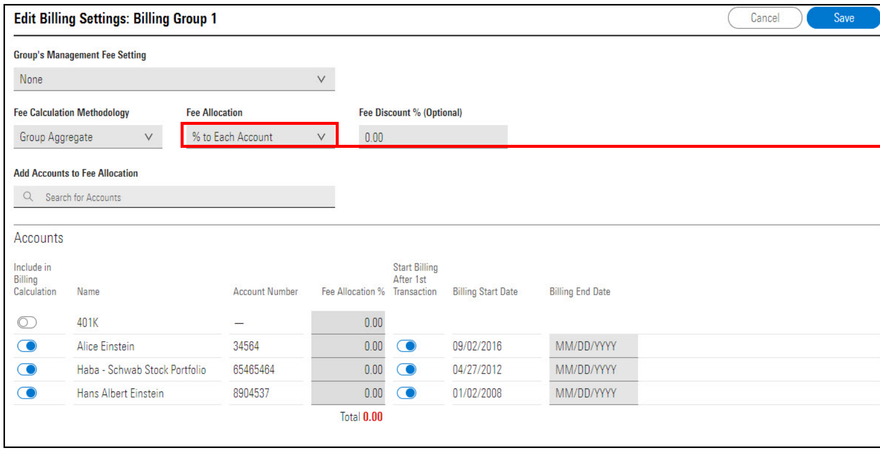


Notice that settings option here require you to assign at the group rather than client level.

How do I add an outside account to fee allocation?

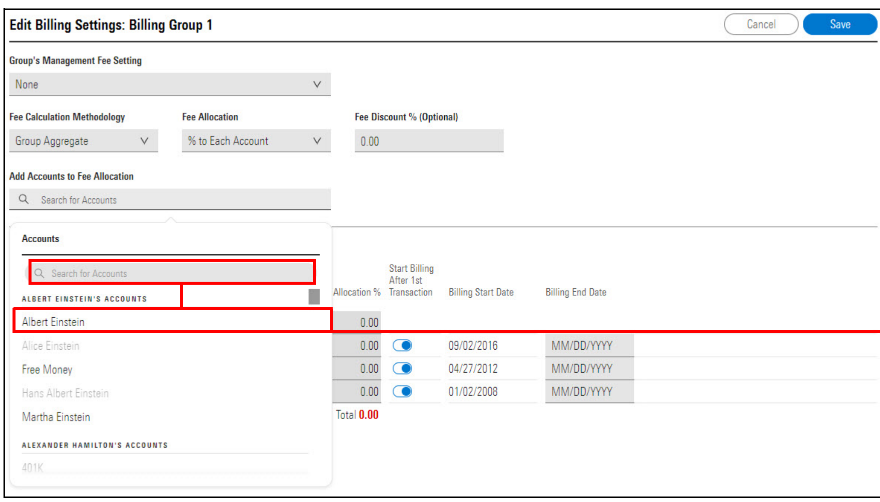
In some cases, you may want an outside account to cover the management fees for a group. First, you must add the outside account to the group, then assign fee allocation. Do the following:

1. In the **Edit Billing Settings** window, from the **Fee Allocation** drop-down menu, select **% to each account**.



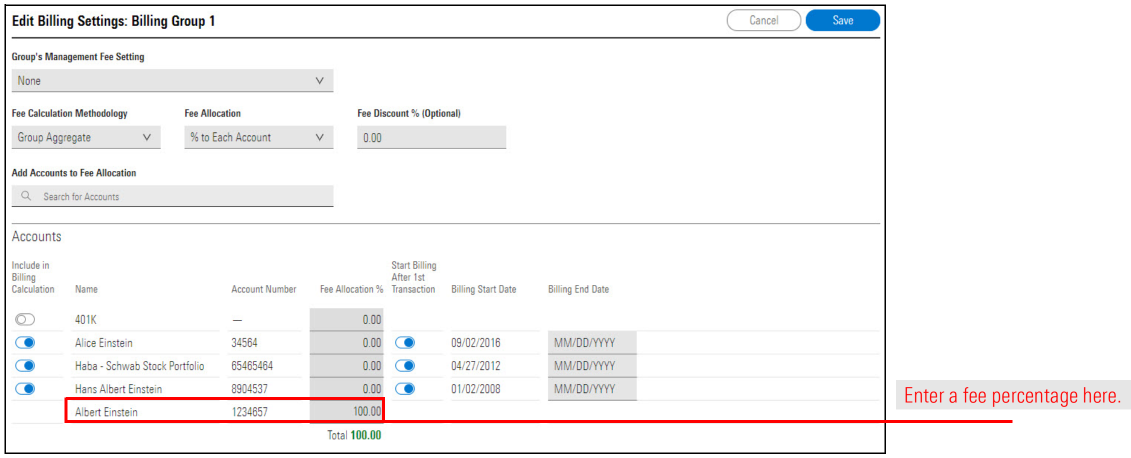
Select this option.

2. Click inside the **Add Account to Fee Allocation** search box. A drop-down menu opens.
3. From the drop-down menu, select the **account** you want to add. The account is added to the Accounts area. Click off the menu to close.



Select this option.

4. In the **Fee Allocation % box** for the outside account, type a **percentage**.



5. Click **Save**.

How do I complete the billing process for a group?

Now that you've created a group and setup fees for the accounts within the group, calculate fees and generate reports using the same steps when completing billing for a client. Review Calculating Management Fees on page 33 and Generating Billing Reports on page 40 for instructions.

Additional Billing Tasks

Overview

In some cases, you may need to perform additional billing tasks, such as adjusting a historical fee or excluding a security from management fees.

In this section, you will learn how to do the following:

- create a billing record (page 51)
- create a manual management fee (page 52)
- create a billable service (page 54)
- create a service charge (page 56)
- create a billing adjustment (page 58)
- create a payment (page 60)
- exclude a security from billing at the practice level (page 62)
- exclude a security from billing at the account level, (page 64)
- run practice level billing reports (page 66)
- identify missing prices, and (page 69)
- updating missing prices. (page 71), and
- split assets under management (page 73).

How do I create a billing record?

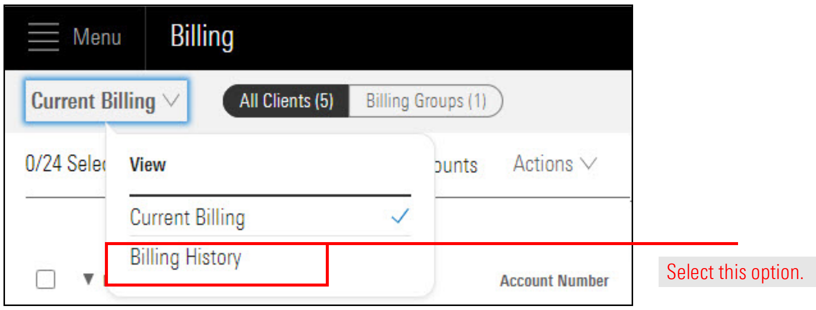
A Billing record is a billing activity that falls outside of the standard billing process. Billing records are created within the Billing History tab of the Billing page and include the following:

Billing record type	Billing record description
Fee	There are two types of fees: ▸ Management fee - allows you to manually create a management fee for accounts that are not billed regularly or require a unique billing circumstance. ▸ Billable service - which allows you to track the number of hours worked for a client, and enter an hourly rate charged for this service. You can also apply a discount (by either percentage or dollar amount) to these charges ▸ Service charge -which allows you to charge a flat fee for services you provide. You cannot apply a discount to a service charge.
Fee Adjustment	Adjustments allow you to apply either a credit or a charge to a client's past management fees.
Payment	Payments are applied when a client remits a payment. This payment will be discounted from the Billing Summary generated during the period in which the payment is applied.

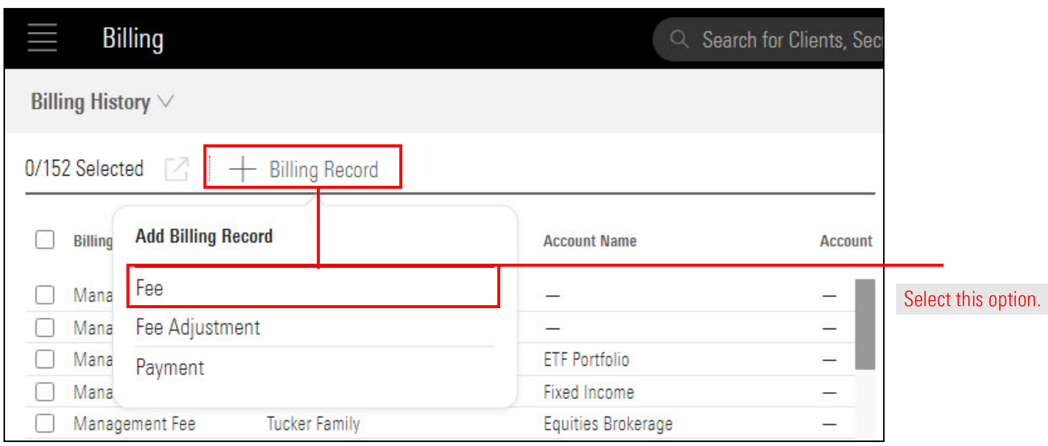
How do I create a manual Management Fee?

Certain circumstances may require that you create a management fee manually, such as charging an account a one-time fee. To create a manual management fee, do the following:

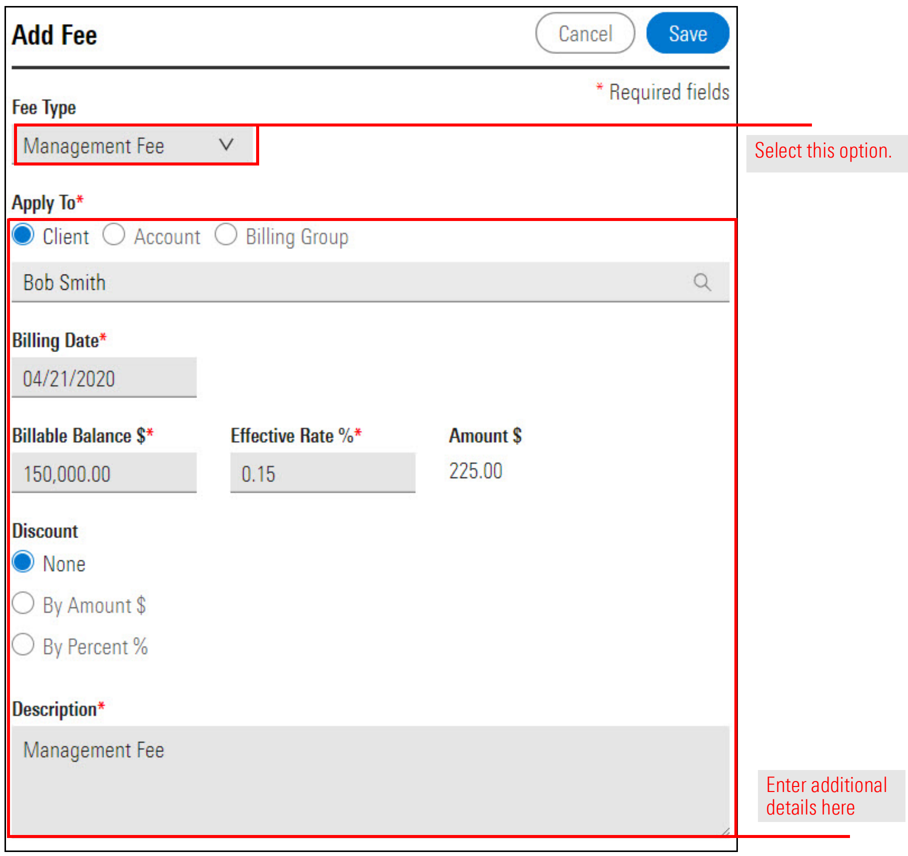
1. From the **Menu**, select **Billing**. The Billing page opens.
2. From the **View** drop-down menu on the header, select **Billing History**.



3. On the header, click the **Billing Record** button. Then select **Fee**. The Add Fee box opens.



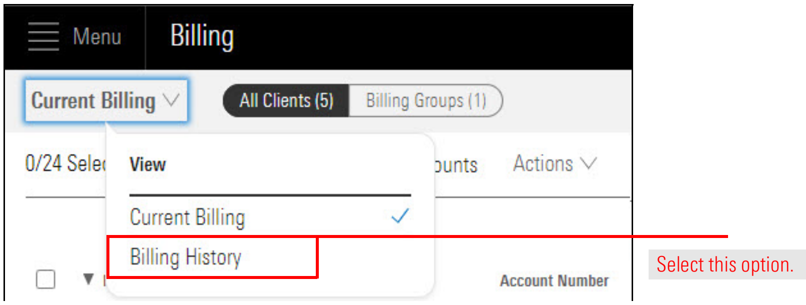
4. From the **Fee Type** drop-down menu, select **Management Fee**.
5. From the **Apply to** area, select **Client**, **Account** or **Billing Group**.
6. In the **Search** bar, type the **name** of the client, account or group you wish to bill.
7. In the **Billing Date** field, enter the **date** you want to bill.
8. In the **Discount** field, choose whether you will apply a discount (optional).
9. In the **Description** text box, type a **description** of the **Management Fee**. This description will appear within the Billing Summary.



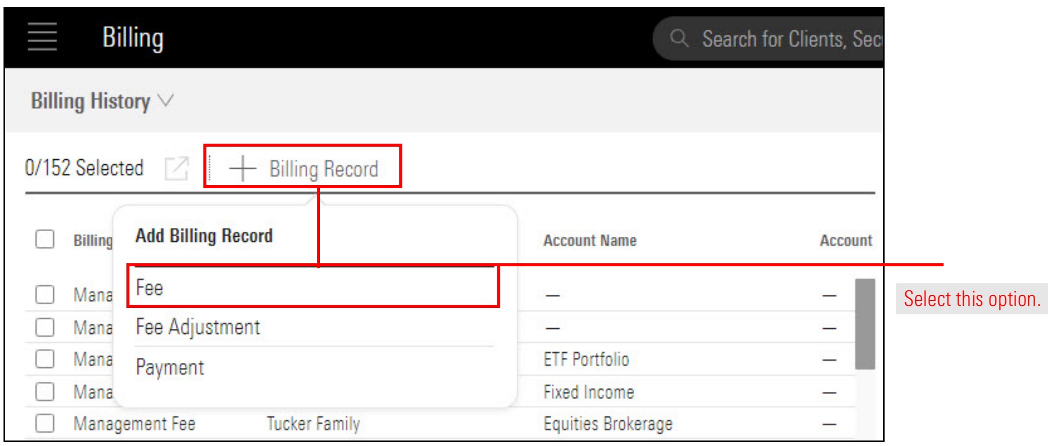
How do I create a Billable Service?

Apply a billable service to charge for the hours worked for a client. You can also apply a discount by amount or percentage. To create a billable service fee, do the following:

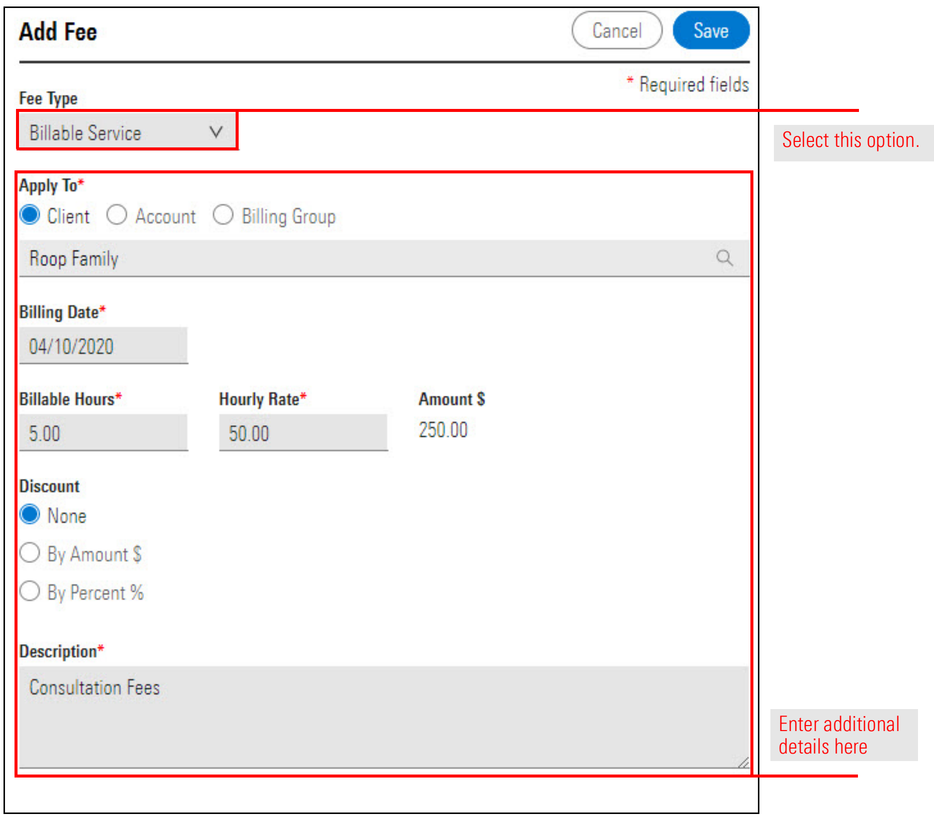
1. From the **Menu**, select **Billing**. The Billing page opens.
2. From the **View** drop-down menu on the header, select **Billing History**.



3. On the header, click the **Billing Record** button. Then select **Fee**. The Add Fee box opens.



4. From the **Fee Type** drop-down menu, select **Billable Service**.
5. From the **Apply to** area, select **Client**, **Account** or **Billing Group**.
6. In the **Search** bar, type the **name** of the client, account or group you wish to bill.
7. In the **Billing Date** field, enter the **date** you want to bill.
8. In the **Billable Hours** field, type the **number of hours** you are charging for.
9. In the **Hourly Rate** field, type the **rate** you want to charge.
10. In the **Discount** field, choose whether you will apply a discount (optional).
11. In the **Description** text box, type a **description** of the **Billable Service**. This description will appear within the Billing Summary.

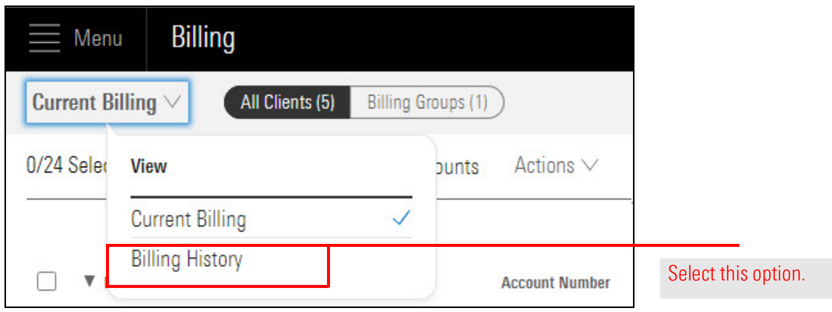


12. Click **Save**.

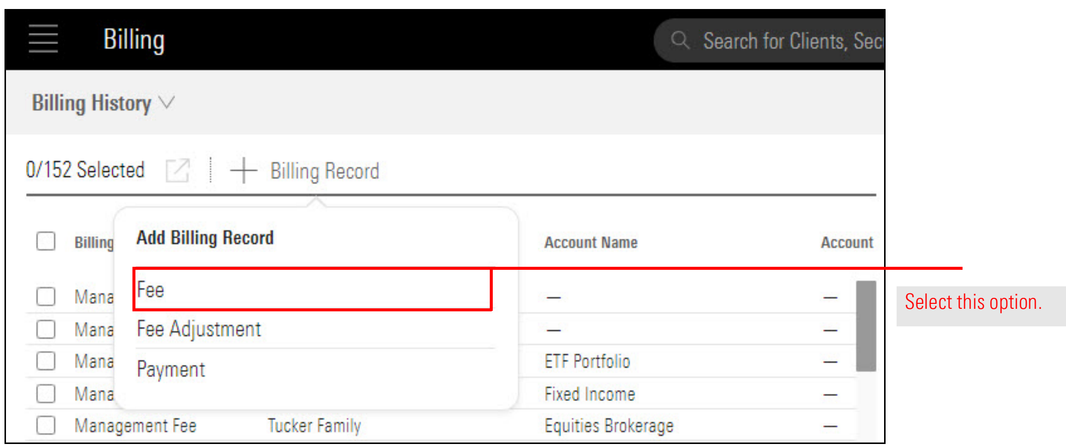
How do I create a service charge?

Create a service charge to apply a flat fee for a client. To create a service fee, do the following:

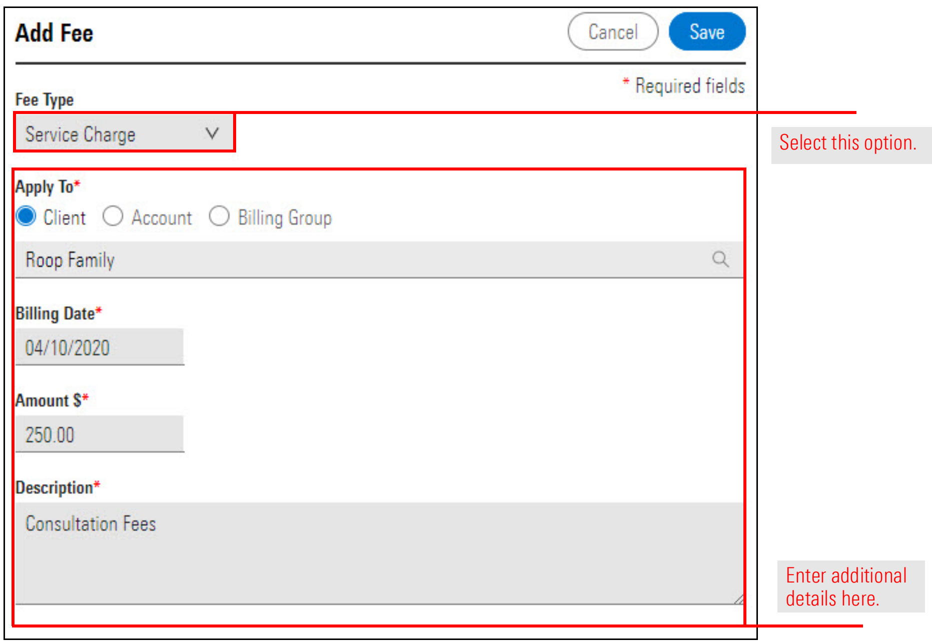
1. From the **Menu**, select **Billing**. The Billing page opens.
2. From the **View** drop-down menu on the header, select **Billing History**.



3. On the header, click the **Billing Record** button. Then select **Fee**. The Add Fee box opens.



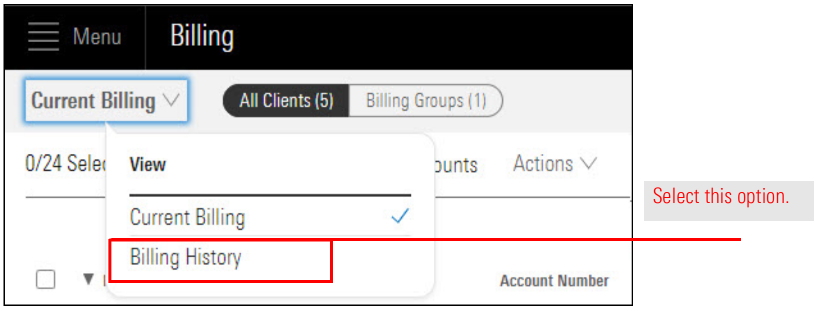
4. From the **Fee Type** drop-down menu, select **Service Charge**.
5. From the **Apply to** area, select **Client**, **Account** or **Billing Group**.
6. In the **Search** bar, type the **name** of the client, account, or group you wish to bill.
7. In the **Billing Date** field, enter the **date** you want to bill.
8. In the **Amount** field, type the **amount** you want to charge.
9. In the **Description** text box, type a **description** of the Service Charge. This description will appear within the Billing Summary.



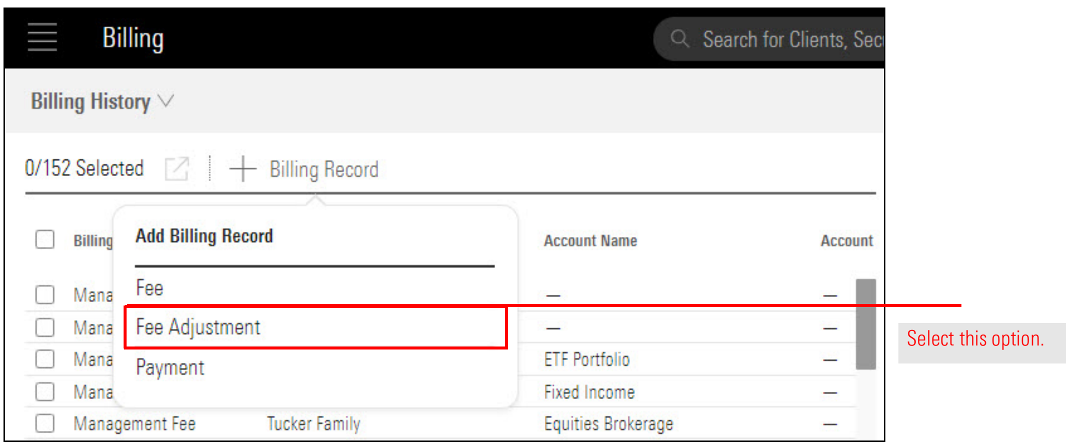
How do I create a billing adjustment?

Adjust a fee by applying a credit or a charge to a management fee previously paid by a client. To create a billing adjustment, do the following:

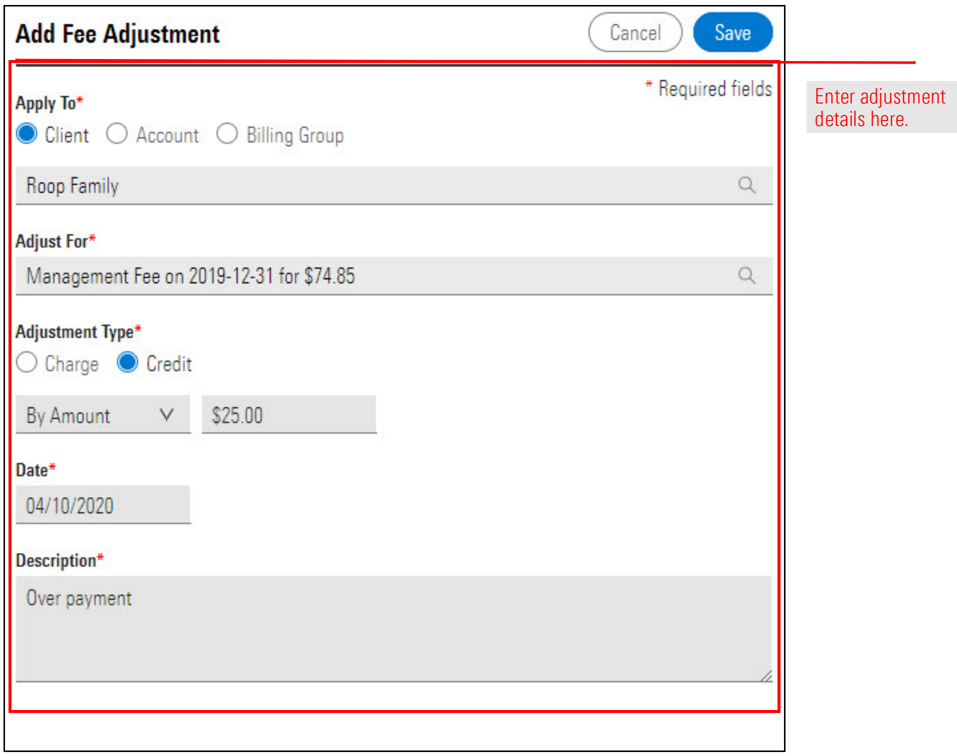
1. From the **Menu**, select **Billing**. The Billing page opens.
2. From the **View** drop-down menu on the header, select **Billing History**.



3. On the header, click the **Billing Record** button. Then select **Fee Adjustment.** The Add Fee Adjustment box opens.



4. From the **Apply to** field, select **Client**, **Account** or **Billing Group**.
5. In the **Search** bar, type the **name** of the client or account you wish to adjust for.
6. From the **Adjust For** field, select the **Management Fee** you wish to adjust.
7. From the **Adjustment Type** area, select **Charge** or **Credit**.
8. From the **drop-down menu,** select by **Amount or Percentage.** Then type the **figure** in the text box below.
9. From **Date**, type the **date** you want to post the adjustment.
10. In the **Description** text box, type a **description** of the adjustment.

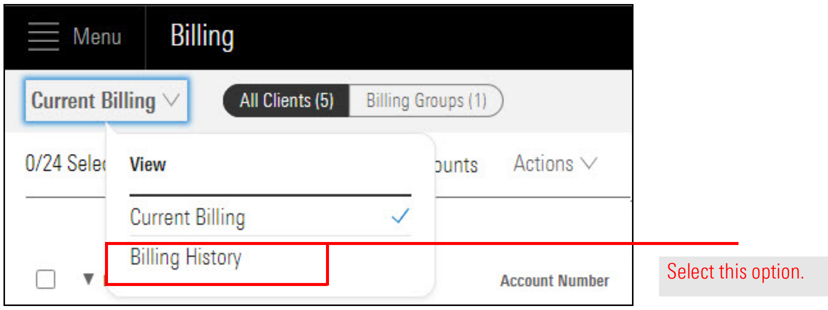


11. Click **Save**.

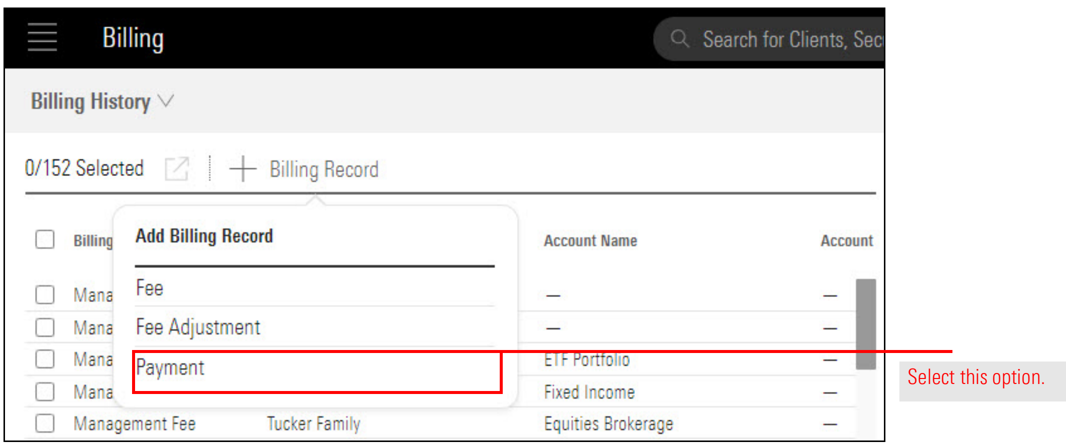
How do I create a payment?

Create a payment when a client remits payment by credit card, cash, check or money order. To create a payment, do the following:

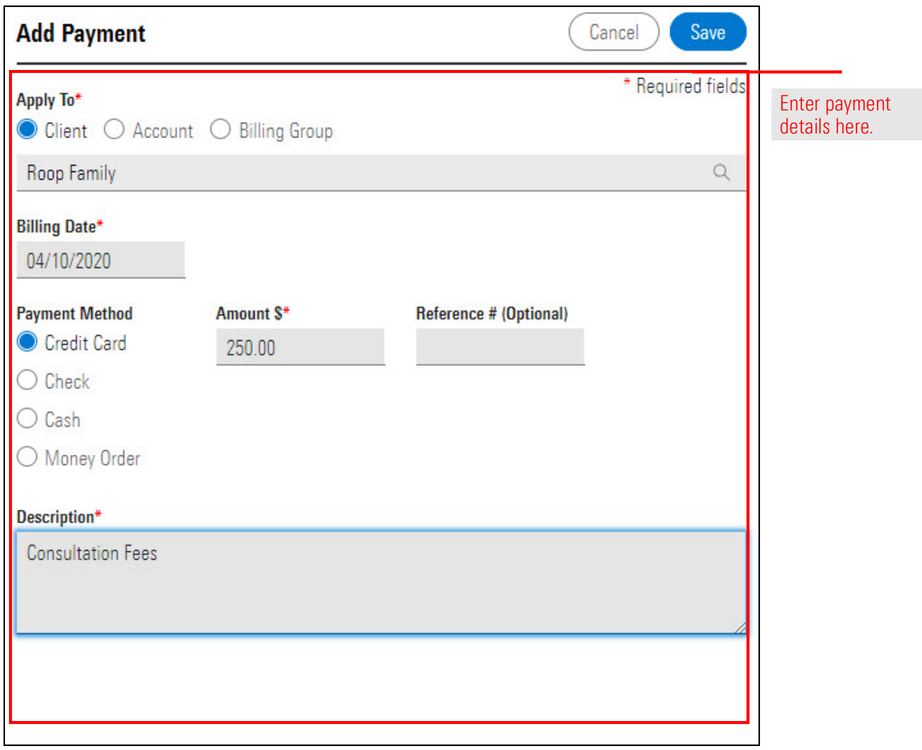
1. From the **Menu**, select **Billing**. The Billing page opens.
2. From the **View** drop-down menu on the header, select **Billing History**.



3. On the header, click the **Billing Record** button. Then select **Payment**. The Payment window opens.



4. From **Apply to**, select **Client**, **Account** or **Billing Group**.
5. In the **Search** bar, type the **name** of the client, account, or group you wish to apply a payment.
6. In the **Billing Date** field, enter the **date** you want to bill.
7. From the **Payment Method** field, select **Credit Card**, **Check**, **Cash**, or **Money Order**
8. In the **Amount** area, type the **amount** the client paid**.**
9. In the **Description** text box, type a **description** of the **Payment**. This description will appear within the Billing Summary.

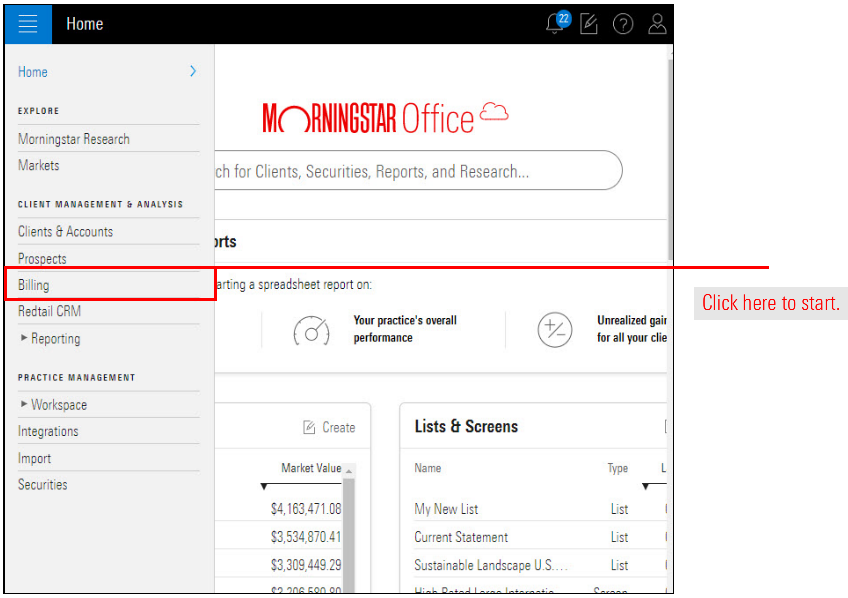


10. Click **Save.**

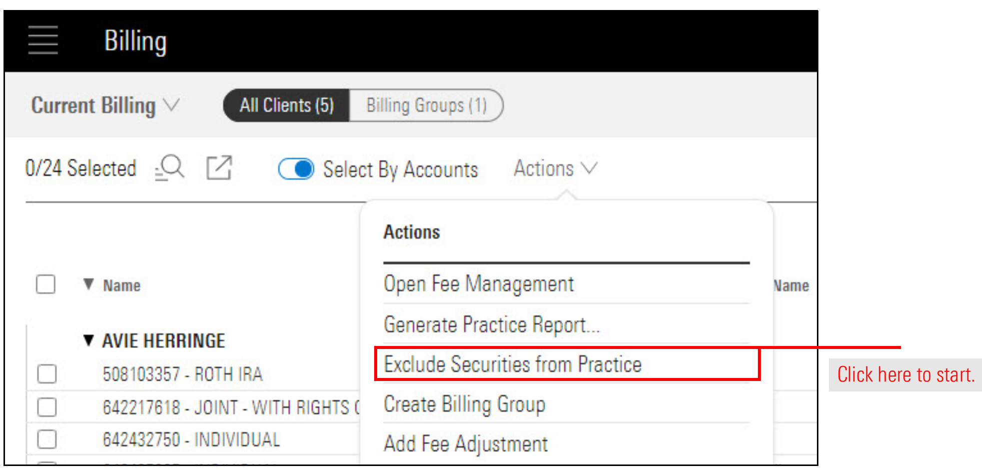
How do I exclude securities from billing at the practice level?

In some cases, you may choose to exclude a security from billing across your practice. For example, if your firm does not charge against cash you can exclude cash holdings for all clients and accounts. To exclude a security from billing at the practice level, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.

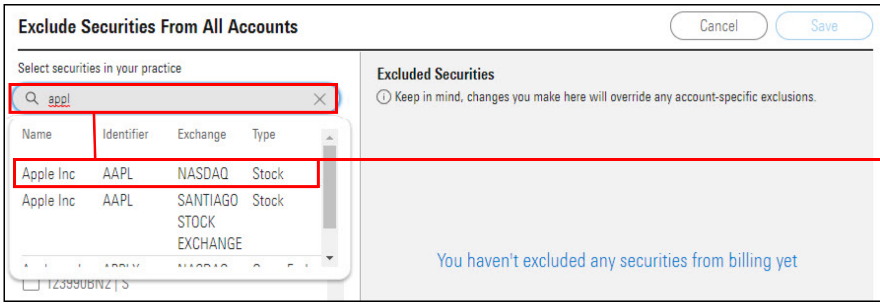


2. Click **Actions > Exclude Securities from Practice.** The Exclude Securities from All Accounts dialog box opens.



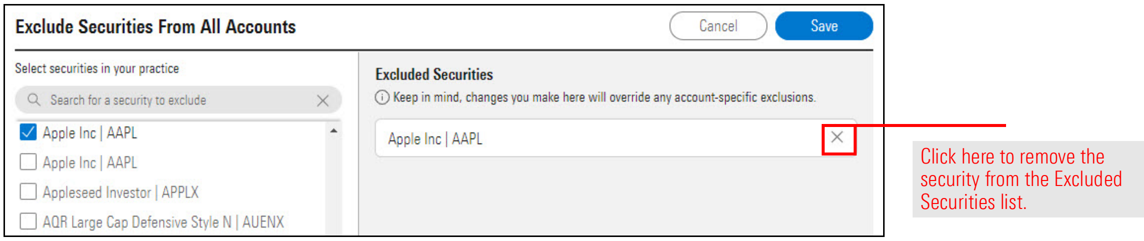
3. In the **Search for a security to exclude field,** type the **name** or **security identifies (such as ticker)** for the security you want to exclude. A list if choices dynamically appears.

4. From the list of securities, click the **security** you want to exclude. The security you selected appears within the Excluded Securities column.



Be sure to identify the correct exchange when identical names and tickers appear for a security.

5. Click **Save**.
6. To remove the security from the Excluded Securities list, click on the **X** next to the security.

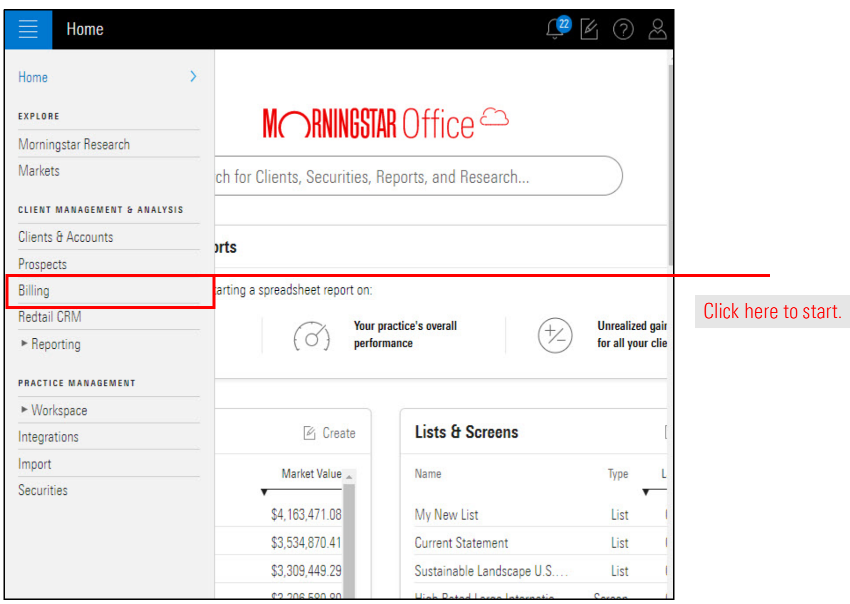


7. Click **Save.**

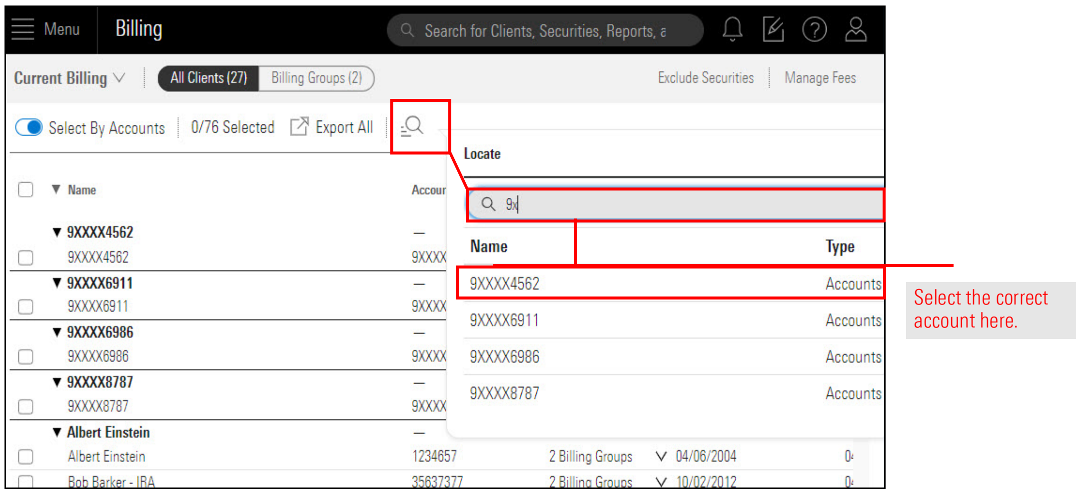
How do I exclude a security at the account level?

In addition to excluding securities from billing across your practice, you can also exclude securities for individual accounts. To exclude securities for individual accounts, do the following:

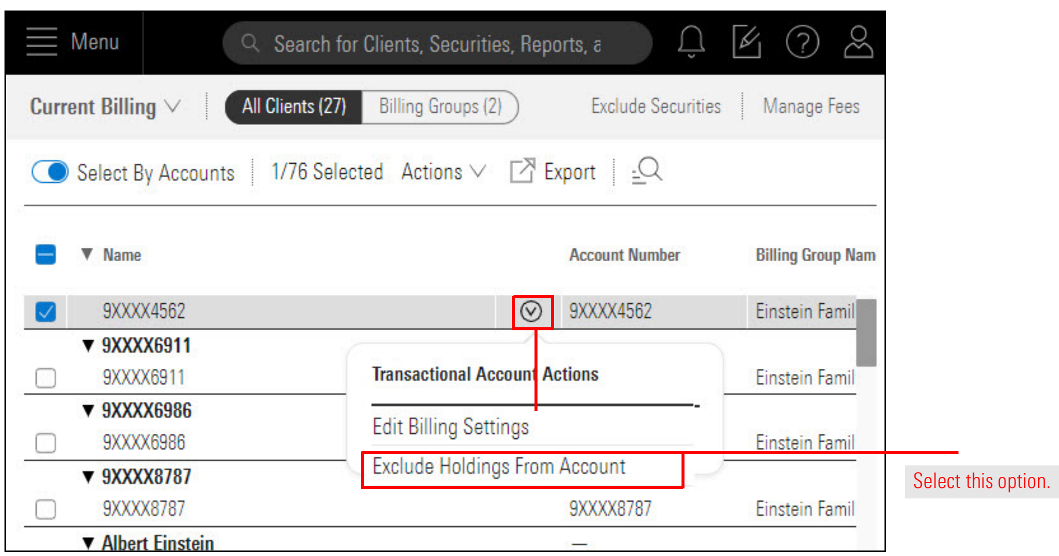
1. From the **Menu**, select **Billing**. The Billing page opens.



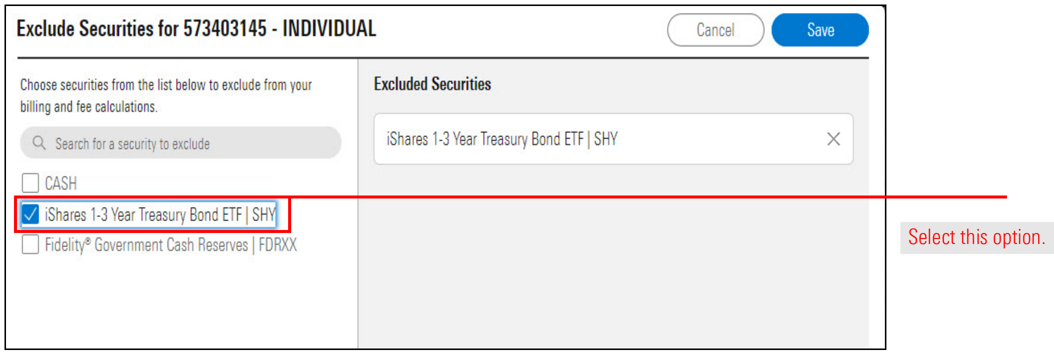
2. Click the slider next to **Select by Account.**
3. Click the **Locate** button. The Locate box opens.
4. In the **Search Client/Account** field, type the **account** you want exclude a security for. A list of choices dynamically appears.
5. From the list of accounts, select the **account** you want to exclude securities for.



6. For the selected account, click the **Actions** menu. Then select **Exclude Holdings from Account**. The Exclude Holdings box opens.



7. In the **Search for the holding to exclude** field, type the **holding** you want to exclude.



8. Click **Save**.

How do I generate practice level billing reports?

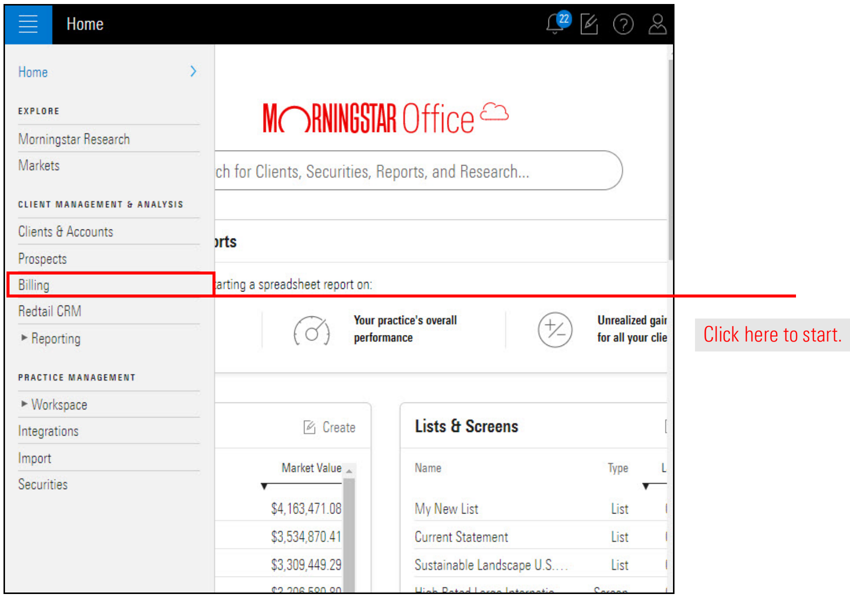
After you generate billing fees, you have the option to run practice-level billing reports to ensure that your billing records are accurate. Practice-level billing reports include the following:

This Report ...	Contains this information ...
Insufficient Cash Account	▸ Clients accounts billing data and list the accounts that do not have sufficient cash to deduct the fee amount, and ▸ Insufficient account information, including fee amount to be billed, current cash available in account & cash deficit. ☞ Note: If Money Market Funds are not included, only calculate free cash available in the accounts.
Management Fee Excluded Holdings	Holdings that are marked as excluded from management fees or unmanaged. The following accounts are excluded from this report: ▸ accounts held in inactive client ▸ accounts held in shared clients ▸ accounts owned by a prospect, and ▸ accounts exclude from client aggregate.

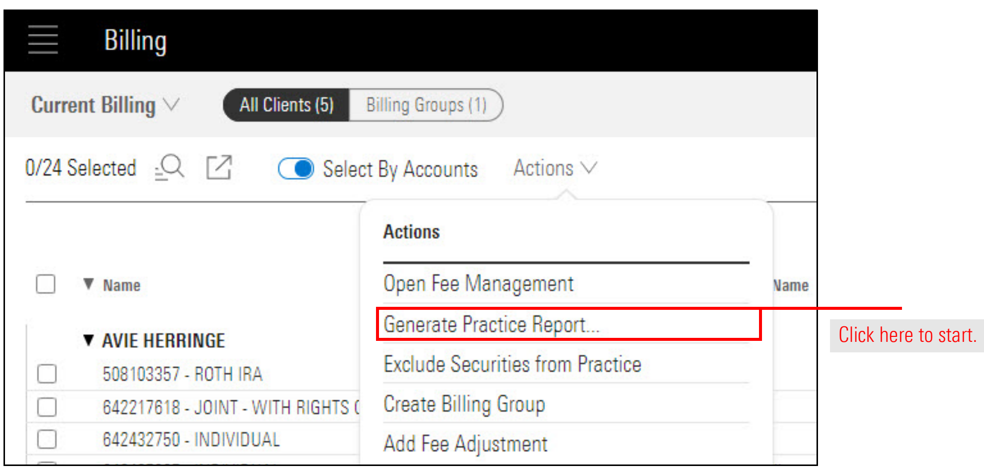
This Report …	Contains this information …
Practice Billing Summary	Practice-level billing information for all billing clients, accounts and groups, including; ▸ Applied fee calculation methodology ▸ Assigned management fee ▸ Billable balance, and ▸ Allocated fee amount. If you want to include additional charges and rebates within the billable balance and allocated fee amount calculation, check the **Include additional charges and rebates box** in report settings.
Management Fee Excluded Accounts	All accounts marked as excluded from billing or unmanaged Account data points displayed are advisor name, client name, account name and account number. ☞ Note: Account under prospects, inactive clients, shared clients, as well as accounts excluded from client aggregate are not included.
Practice Management Fee	All billing clients, groups and accounts with their corresponding fee calculation settings. The billable balances, firm fees, advisor fees and total fee amounts include all management fee and adjustment billing records. Fees display for each account, without fee allocation settings.

To run this report, do the following:

1. From the **Menu**, select **Billing**. The Billing page opens.

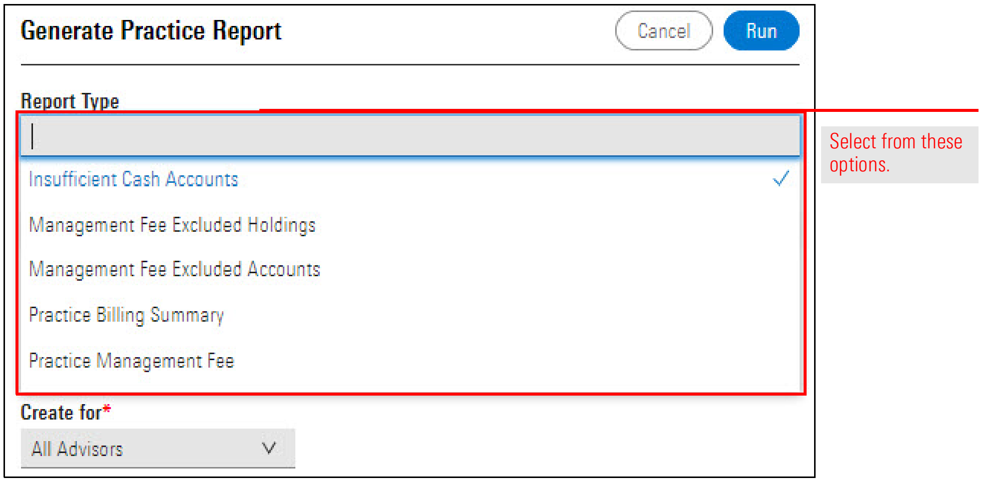


2. On the header, click **Actions > Generate Practice Report**. The Generate Practice Report box opens.



3. In the **Report Name** field, select the **report** you want to run.

   ☞ Note: the report name will include the date and name of the report by default. Select the **time period** for which you want to run the report.



4. Click **Run.**

How do I know if prices are missing when generating a bill?

When generating a client bill for a single client or multiple clients at once using Batch, a missing price warning now appears to alert you that your fee data may be inaccurate. Use this warning to identify positions with missing prices, validate the correct prices with your custodian, and, when necessary, update prices within Morningstar Office Cloud.

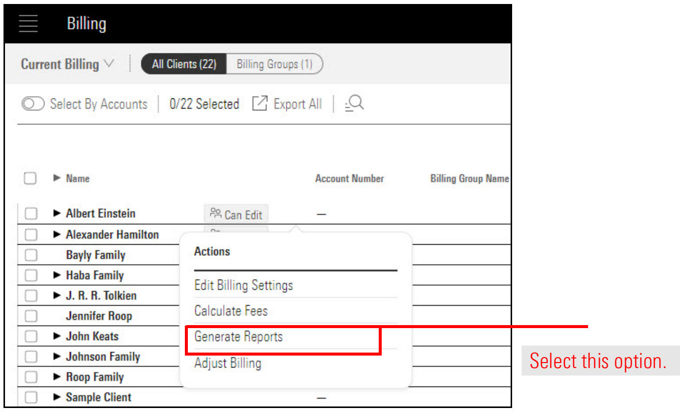
the Missing Price warning only appears under the following circumstance:

- Fee data has not been calculated within the Current Billing grid. Fee data is automatically calculated when the billing summary is generated.
- Fee data has been calculated within the Current Billing grid, but the Overwrite existing management fee billing option is selected when generating the billing summary.

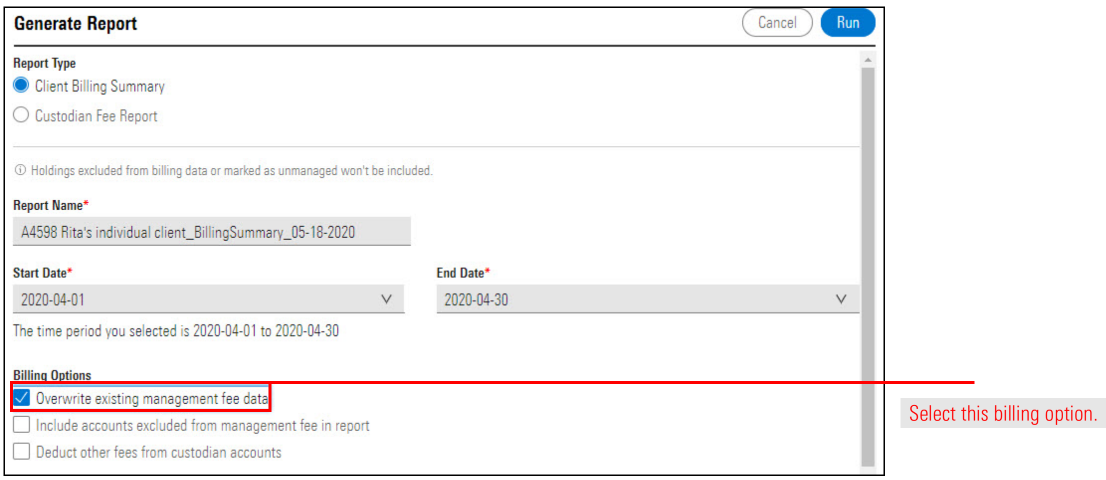
  ☞ Note: The missing price warning functionality will be enhanced in future releases.

To view missing price data, do the following:

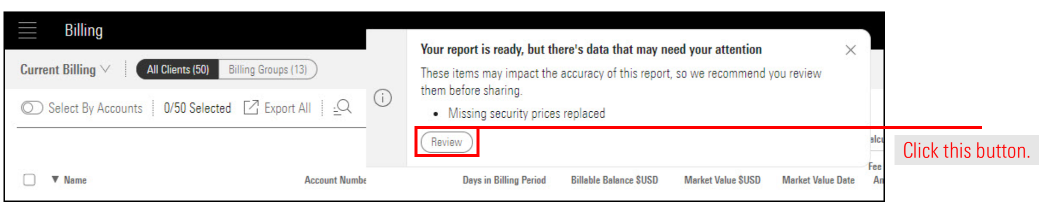
1. Hover over the client you want to run a bill for. Then click the **Actions > Generate Reports**. The Generate Report box opens.



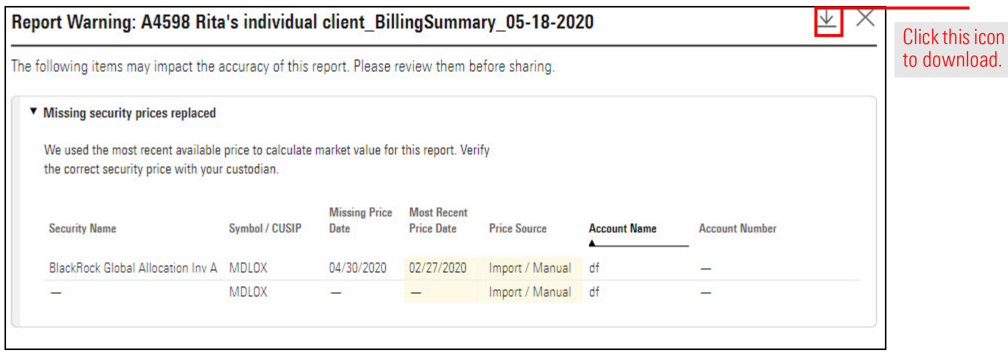
2. From the **Billing Options** area, select **Overwriting existing management fee data.**



3. Click **Run.**
4. If prices are missing, the following warning message appears. Click **Review**. The Report Warning window opens.



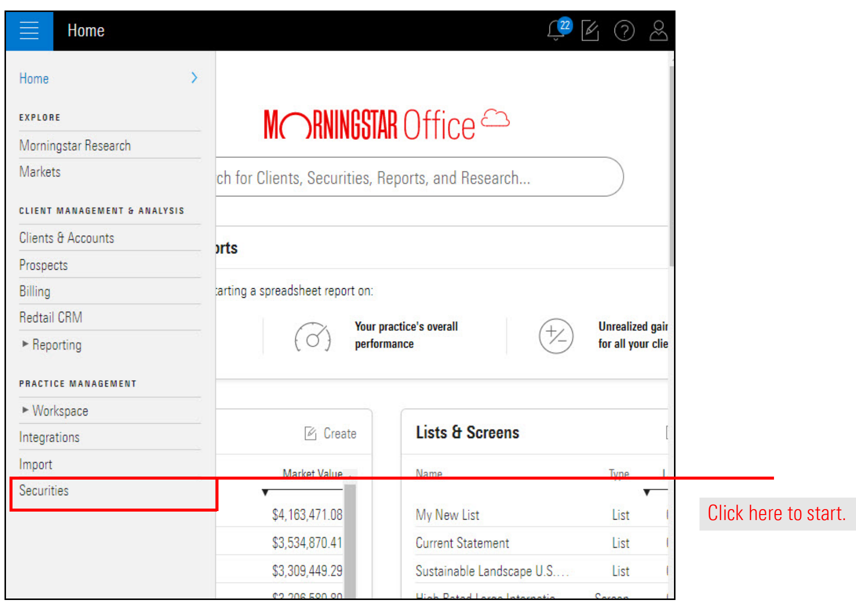
5. Verify the correct prices with your custodian.. To download for record keeping purposes, click the **download** icon.



How do I adjust a price?

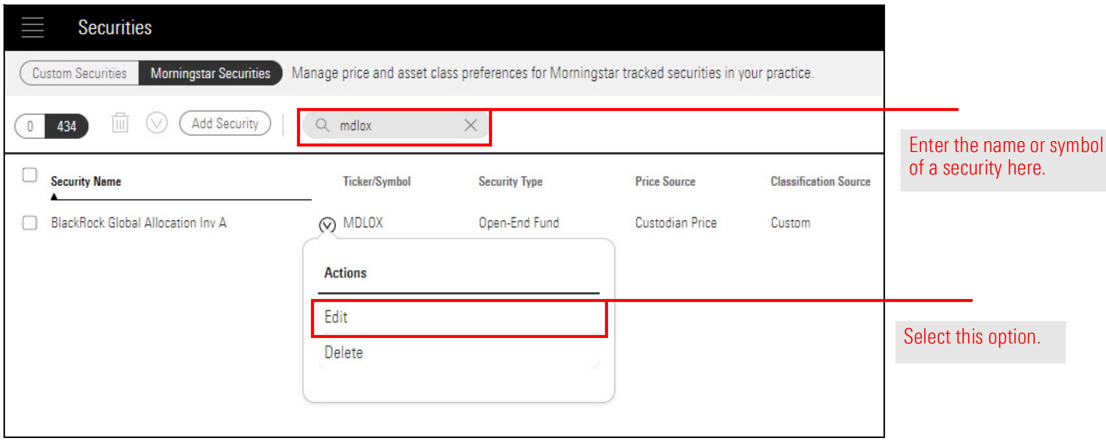
If you discover a price is inaccurate, you can adjust the price within the Securities page. To adjust a price, do the following:

1. From the **Menu**, select **Securities**. The Securities page opens.

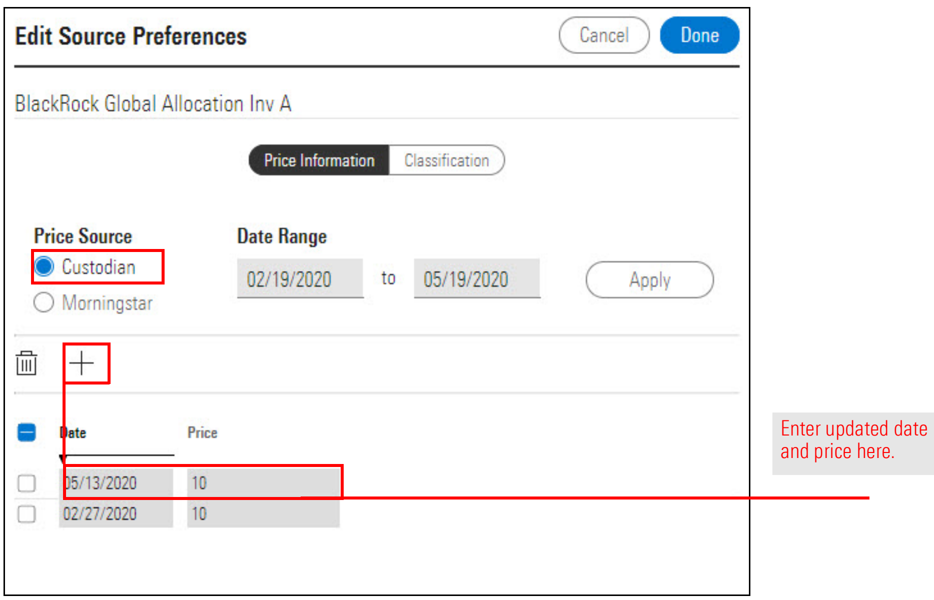


2. From the header, select either the **Custom Securities** or **Morningstar Securities** tab.
3. On the header of the selected tab, in the **Search for Securities** text box, type the **security** you want to adjust.

4. Hover over the security you want to adjust a price for. Then click the **Actions > Edit**. The Edit Source Preference box opens.



5. From **Price Source,** select **Custodian.** Then click the **+** sign to enter a new row.
6. For the date you want to change a price for, enter the **date**, and **price**.



7. Click **Done**.

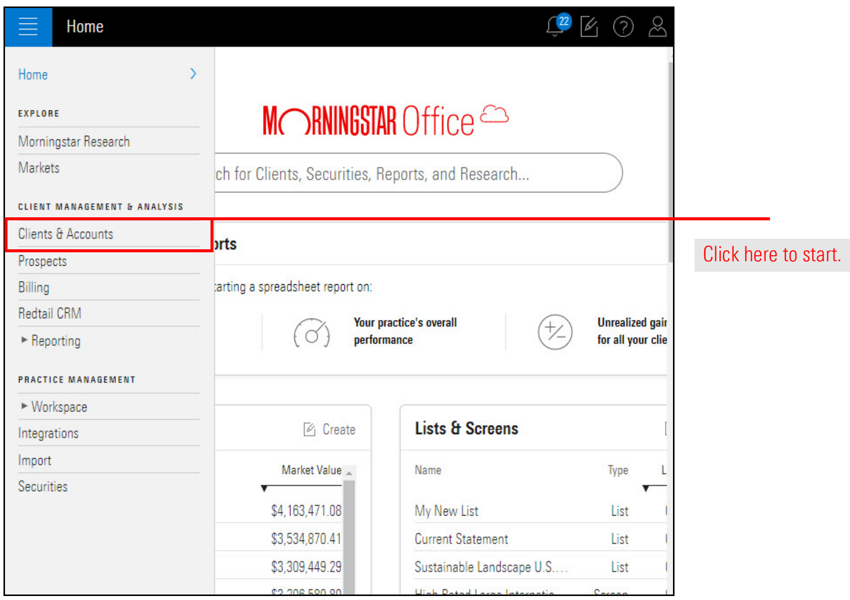
How do I split assets under management?

In some cases, you may choose to split a client's assets under management with additional members of your firm, allowing multiple firm member to charge a percentage of the client's assets when billing.

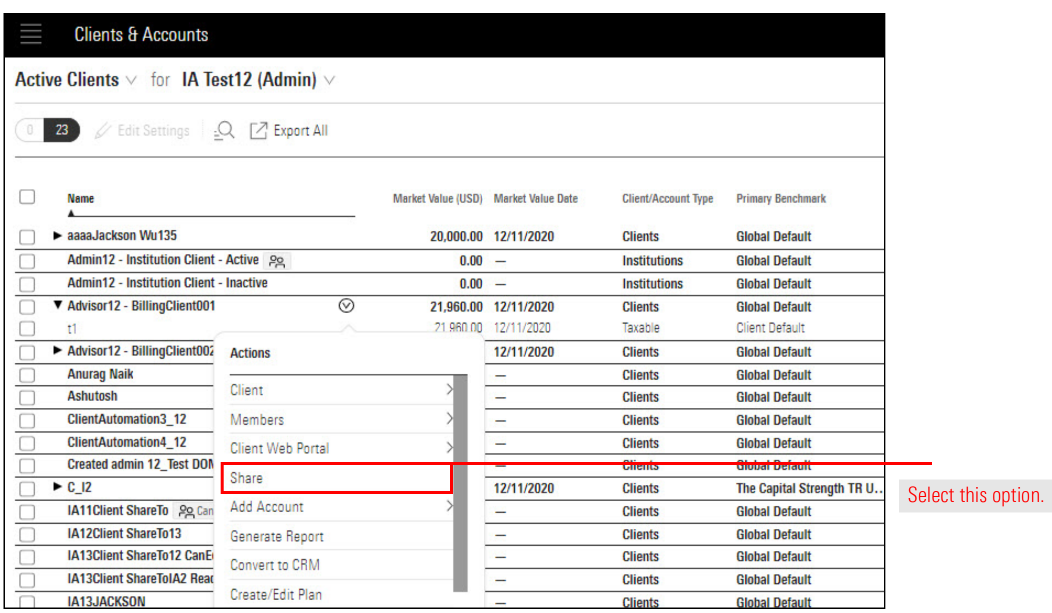
This feature allows users to divide the assets of a transactional account among a maximum of five firm members. Before an account's assets can be split, the client must be shared with the firm members for whom the AUM will be split.

To share a client, do the following:

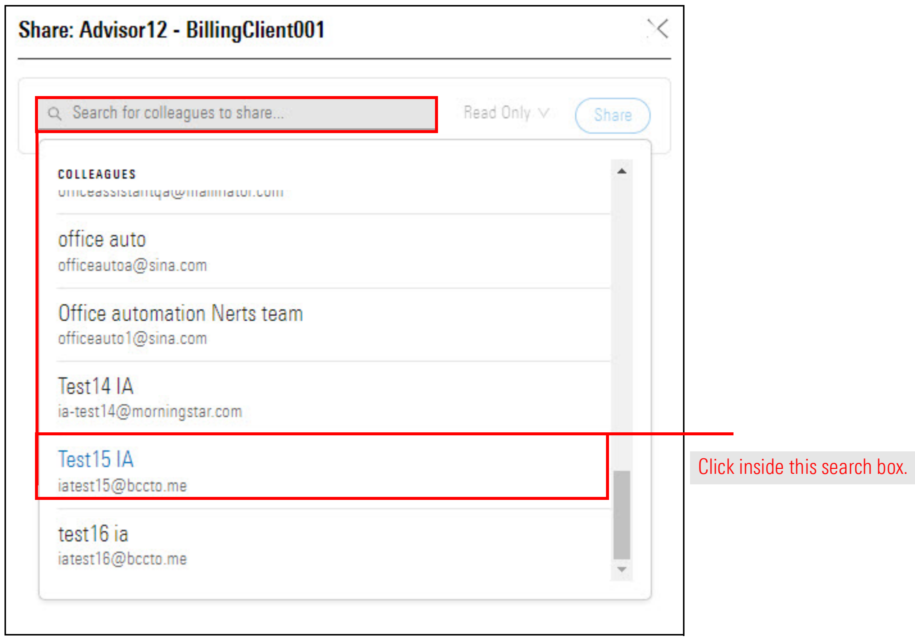
1. From the **Menu**, select **Clients & Accounts.**



2. Hover the cursor over the **client** you want to share. The Action icon appears.
3. From the **Actions** drop-down menu, select **Share**. A dialog box opens.



4. In the **Share** dialog box, click inside the **Search** field.
5. From the Colleagues drop-down menu, select the **member** or **members** for which you want to share the client.

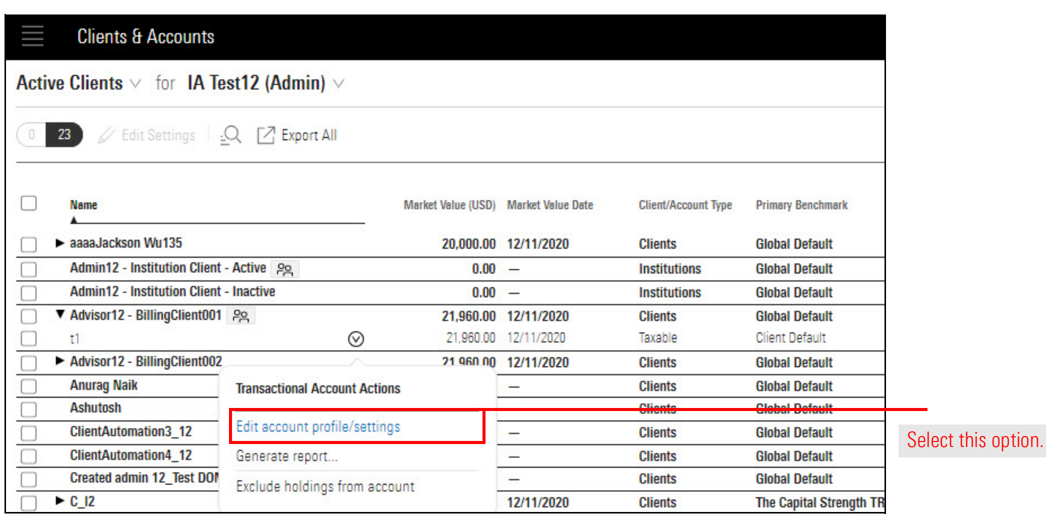


6. Click **Share**.

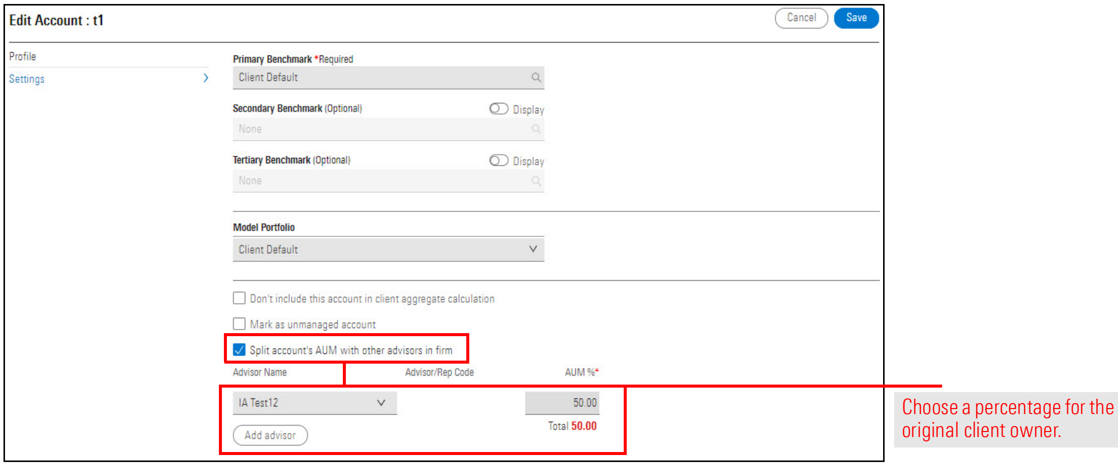
After you successfully share a client record, you can split assets amongst firm members you've shared the client with. Assets can be split at individual account level only, and they must be split from the original client owner's log in.

To split assets amongst firm members you've shared the client with, do the following:

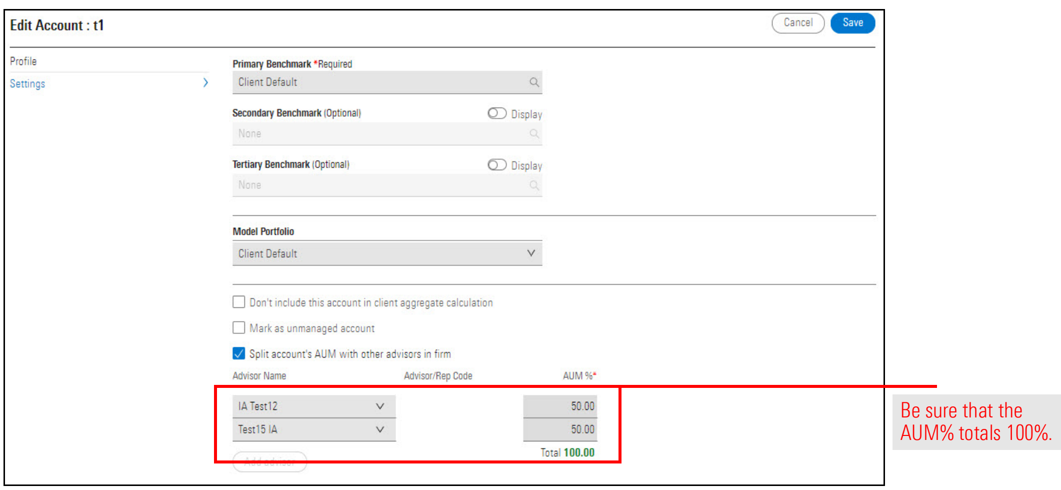
1. Click the **caret** next to the **client** for which you want to split assets.
2. Hover the cursor over an **account** record.
3. From the Actions drop-down menu, select **Edit Account profile/settings.** A dialog box opens.



4. In the Edit Account box, click **Settings**.
5. Check the box next to **Split account's AUM with other advisors in firm**.
6. In the **Advisor Name** drop down, select the client owner's login in.
7. In the **AUM percentage** text box, type a **percentage**. Then click **Add advisor.**



8. In the **Select an advisor** drop-down menu, select the **advisor** you shared the account with.
9. In the **AUM percentage** text box, type a **percentage**.



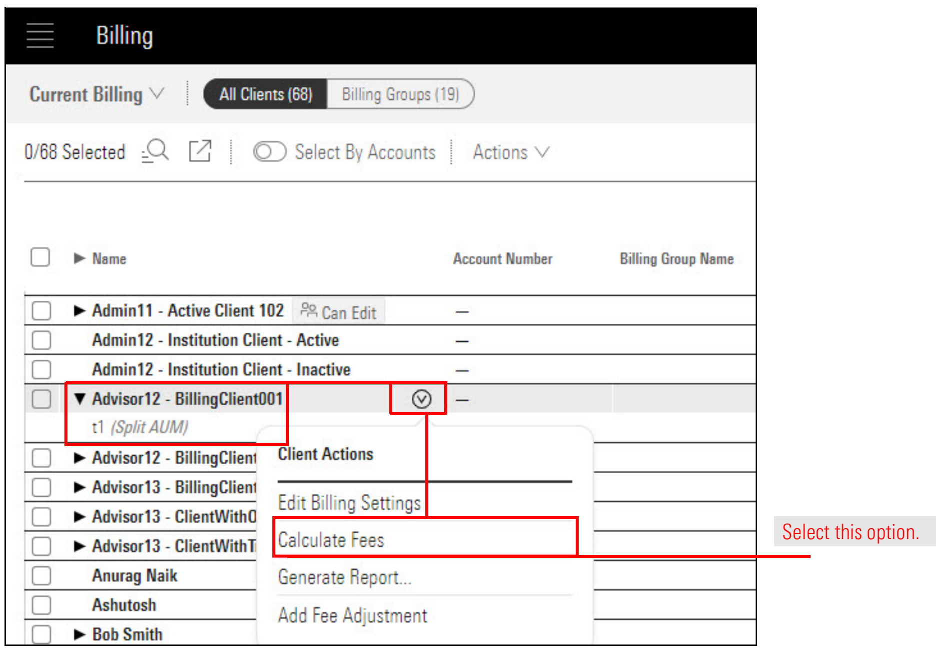
10. Click **Save**.

How do I calculate fees for clients with split AUM?

Once your client is shared with firm members, and assets are split, you can then calculate fees for the most recent billing period by the percentage owned by each advisor. This action must be completed for all advisors that share the client's assets.

Do the following:

1. From the Billing grid, click the **caret** next to the **client** for which you want to split assets.
2. Validate that the **Split AUM** flag appears next to the account for which you've split assets.
3. Hover the cursor over an **client** record.
4. From the Actions drop-down menu, select **Calculate Fees.** A dialog box opens.



5. From the Choose a Billing Period menu, select **Most Recent Billing Period**.

6. Click **Run**.

Once fees are calculated, the individual advisor portion of the split fee is displayed within the Calculated Data section of the Billing grid for each advisor.