Importing Client Transaction Data from TD AMERITRADE

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This document provides an overview of the steps required to begin importing transaction data from TD AMERITRADE into Morningstar Office. These preliminary steps include:

Introduction

1. Obtaining the necessary files from TD AMERITRADE
2. Applying the correct currency and exchange filters within Morningstar Office
3. Creating initial positions at the chosen starting date
4. Creating and applying transaction settings.
5. Once these steps have been completed, you are ready to begin importing transactions. A brief overview of the ongoing importing process is provided.

   ☞ Morningstar highly recommends that you begin importing with the help of a Morningstar Import Specialist. Call the Support team at 1-866-215-2503 for more details if you have never imported from this source before.

For advisors who wish to save the time and trouble of daily importing and reconciliation, Morningstar is pleased to offer the option of outsourcing these tasks to our Back Office Services team. Working directly with you to define and meet your needs, Morningstar's BOS team will operate as an extension of your internal staff, under your direction and terms.

Saving Time with Morningstar Back Office Services

If you are already using another portfolio management system and are making the switch to Morningstar Office, there is no need to start over from scratch. Morningstar's Data Conversion Team can transfer the entire database of client transactional history contained in your previous system into Morningstar Office, allowing you to begin running in-depth historical performance reports.

Conversions from Your Previous Portfolio Management System

Click here to fill out a quick survey and receive an estimate for back office services or data conversion. To learn more, dial 1-866-685-4494.

Obtaining Data Files from TD AMERITRADE

Before you can begin importing transaction data from TD AMERITRADE into Morningstar Office, you must ensure that you are receiving daily data files. Contact TD AMERITRADE at 1-800-431-3500 to confirm that you are receiving daily data files for each of your Advisor Codes in the **TDA Institutional format**.

Overview

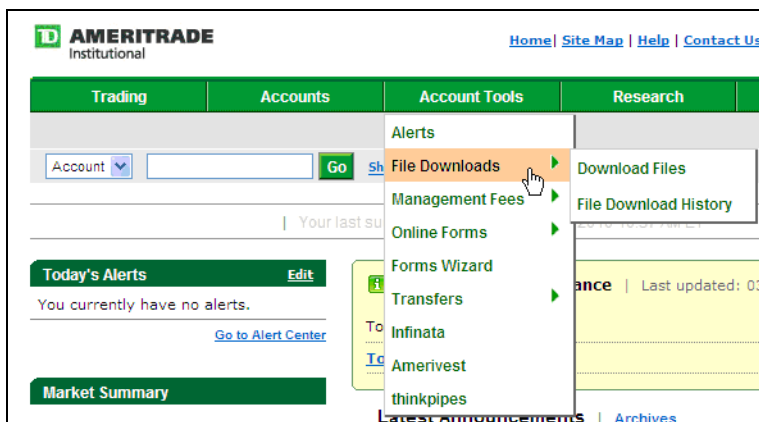To download historical files from TD AMERITRADE, do the following:

6. First, create a folder where you will store your TD Ameritrade data files. If you have multiple Advisor Codes and plan to download and import files for each one, create a separate sub-folder for each advisor code. The files for different Advisor Codes must be stored separately.

7. In an internet browser, go to https://www.advisorservices.com. Enter your UserID and password and click **Log on**.

Downloading historical files from TD AMERITRADE
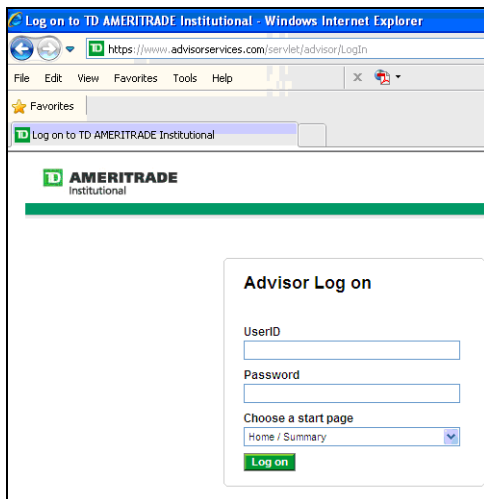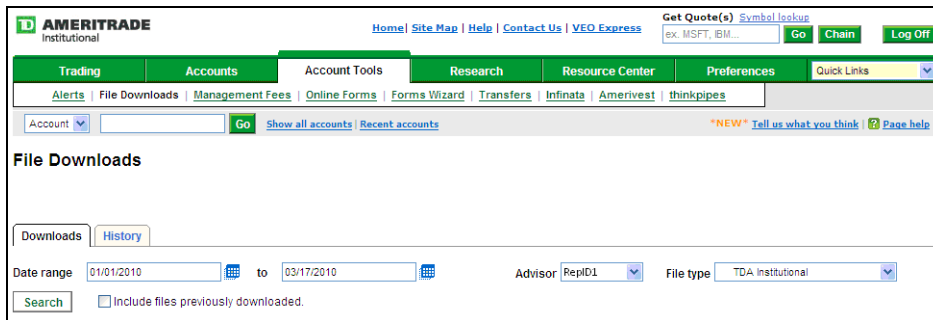

Enter your UserID and password and click Log on

8. Click on **Account Tools…File Downloads…Download files**.

9. On the File Downloads screen, enter the **date range** for the files you wish to download. If this is the first time you are downloading files from TD Ameritrade, make sure that you enter a date range wide enough to capture all available files.


☞ Do not enter a date range longer than an entire year, as this will lead some files to overwrite others. If you need to import more than one year's worth of files, do your download in batches of one year at a time.

10. Click the **Advisor** drop-down and select the **advisor code** for which you wish to download files. If you plan to download and import files for multiple advisor codes, download the files for each advisor code separately, one code at a time. Do not select All Advisors, as this will cause files to be overwritten.
11. Click the **File type** drop-down and select **TDA Institutional**.
12. If you have already downloaded files and are downloading them for a second time, check the **Include files previously downloaded** box.
13. Click **Search**.
14. In the Matching Files area, all available files for the selected date range and advisor code will appear. Check the **boxes** next to the files you plan to download and click **Download**.
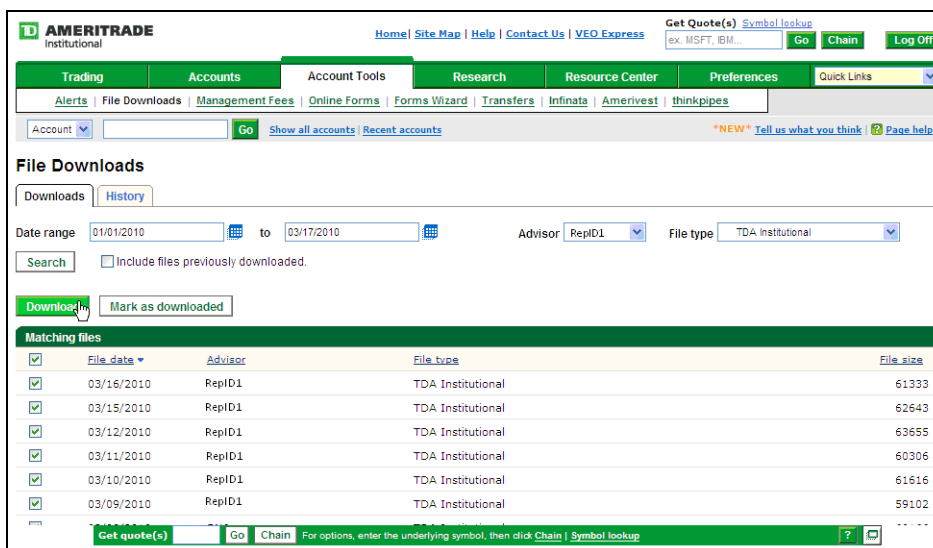

☞ You might be prompted to install a plug-in to allow TD Ameritrade file downloads. If this is the case, follow the directions to download and install the plug-in, then re-run the file search and click Download again.

15. A second window will open, prompting you to specify the folder in which the files are to be stored. Select the **folder** you have created and click **OK**.
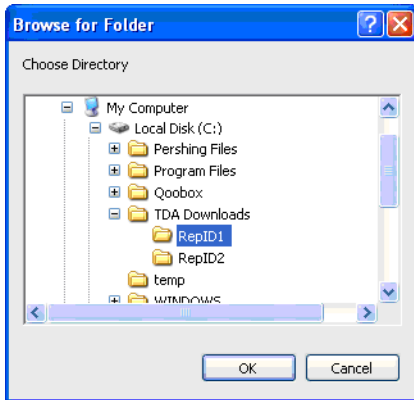

16. A window appears, displaying the progress of the download. When the download has completed, navigate to the folder where the files are stored. The files will have been downloaded as executable, or application, files.
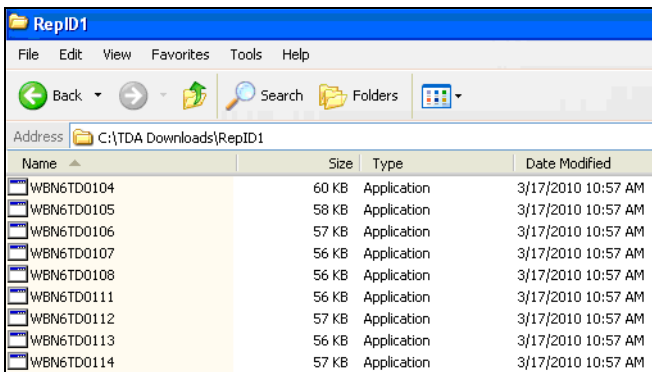

17. In the folder window, click **Edit…Select All**.
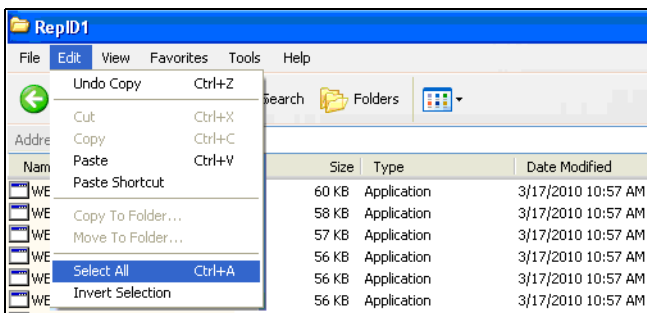
18. When all the executable files in the folder are highlighted, click **File...Open**. This will extract the contents of each file.
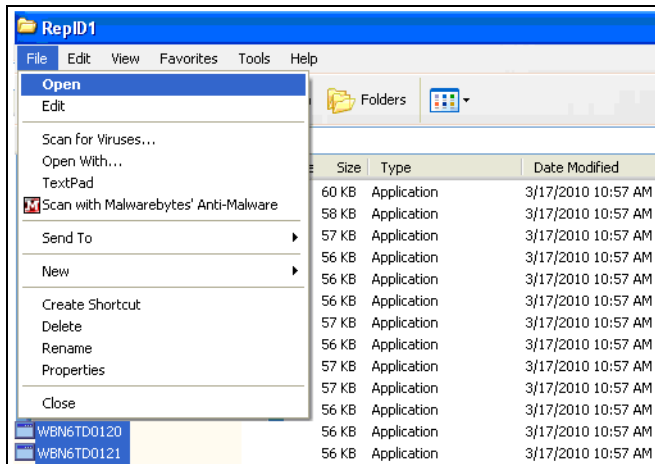
19. After the extraction process is complete, the executable files will still be highlighted and the contents that have been extracted will not be highlighted. Leaving the executable files highlighted, select **File… Delete**.
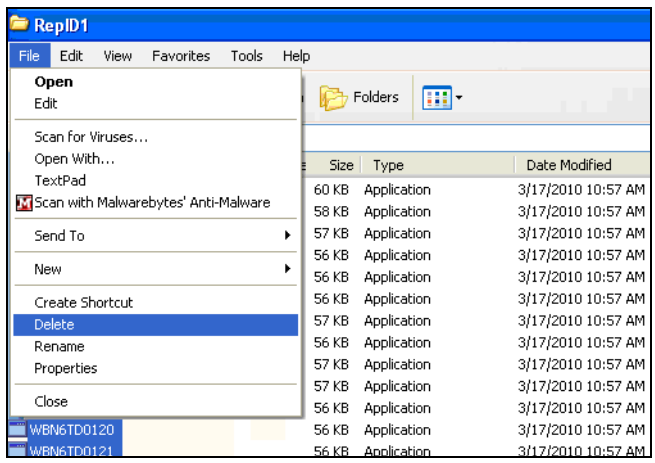
20. The folder will now contain only TDA Institutional format files which are ready to be imported into Morningstar Office. Repeat the same procedure for every advisor code in your practice. If you are importing more than one year's worth of files, repeat this process again for each year's files.

Navigate to the folder where your TD AMERITRADE files are stored. Verify that every advisor code folder contains the proper files. You should have received the following file types:

Verifying Files

File Name	File Type
TDyymmdd.TRD	Client/Account
TDyymmdd.POS	Position
TDyymmdd.PRI	Price
TDyymmdd.SEC	Security
TDyymmdd.TRN	Transaction

☞ yyyy = year; mm = month; dd = day.

The files will look like this on your computer:
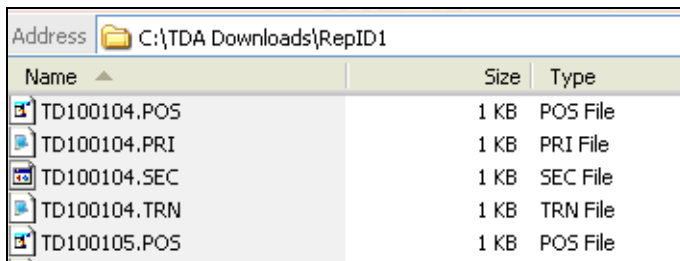
Applying Exchange and Currency Filters

During the import process, Morningstar Office will identify any securities contained in your files that are tracked by Morningstar's research team. By mapping these holdings to our research database, we allow you to incorporate our research and analysis into your client reports.

However, because many securities are traded in multiple currencies and on multiple exchanges throughout the world, the mapping process will occasionally yield multiple matches for the same CUSIP or ticker. In order to eliminate confusion, it is recommended that you create a filter to guide Morningstar in mapping to the correct match.

By creating exchange and currency filters, you will ensure that, in the cases where two versions of a security are found in our database, Morningstar will map to the security traded on the exchange and in the currency you have specified.

Morningstar will not exclude securities traded on exchanges not included in your filter from the mapping process. The program will simply use the filter as a guide for finding the correct match in the cases where multiple matches are found.

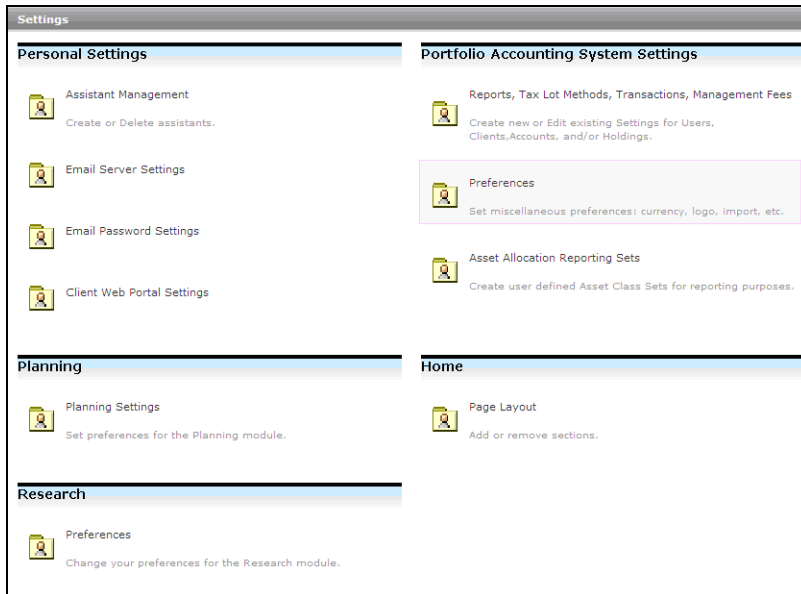**Overview**

To apply an exchange filter, do the following:

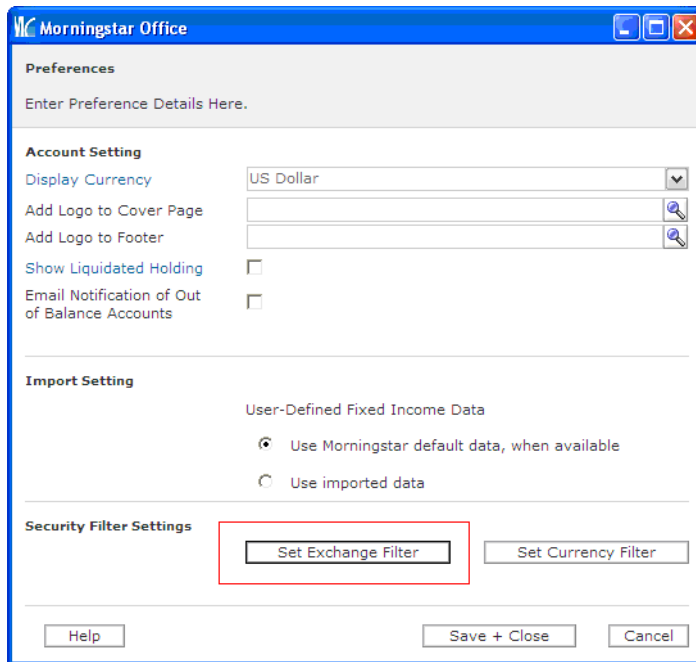1. From the **Home** screen, click on **Settings** in the left-hand navigation panel.
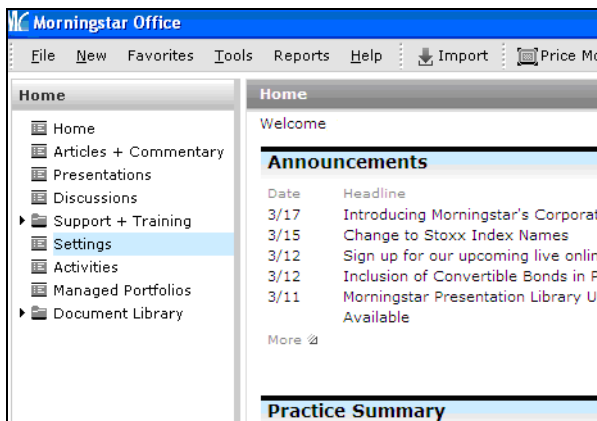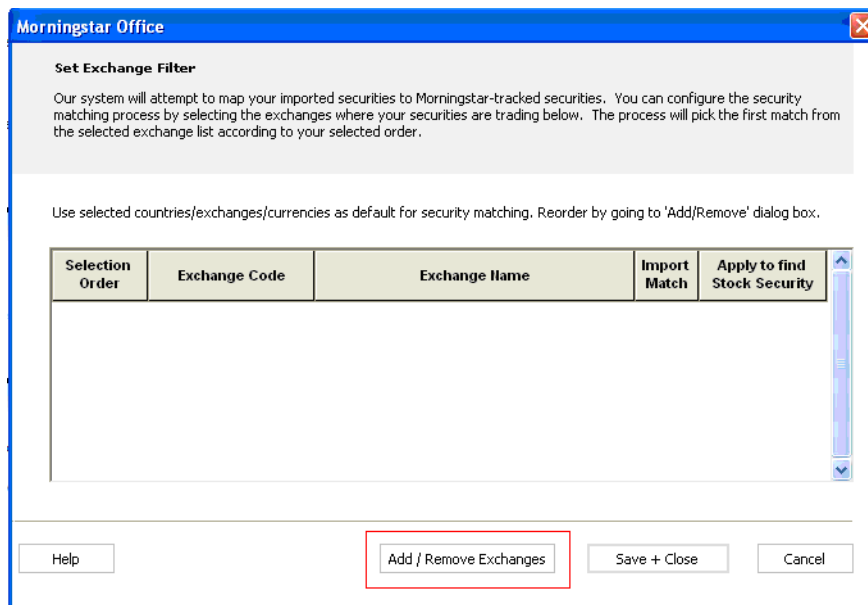
Applying an Exchange Filter

2. Under Portfolio Accounting Systems Settings, click **Preferences**.

3. The Preferences window appears. Click **Set Exchange Filter**.

4. The Exchange Filter window appears. Click **Add/Remove Exchanges**.

5. In the window that appears, highlight an exchange you wish to add to your filter by clicking on the **exchange name** from within the list of available exchanges, then click **Add**.

☞ You can select multiple exchanges at once by holding down the <CTRL> key as you click on each item.

6. After you have added every exchange on which your securities trade to the Selected Exchanges list, you can edit the order of the list. If multiple matches for a security ID are found on different exchanges, Morningstar will map to the match found in the exchange listed highest on your list. To move an exchange within the list, highlight the security and click on the **up** or **down arrows**.
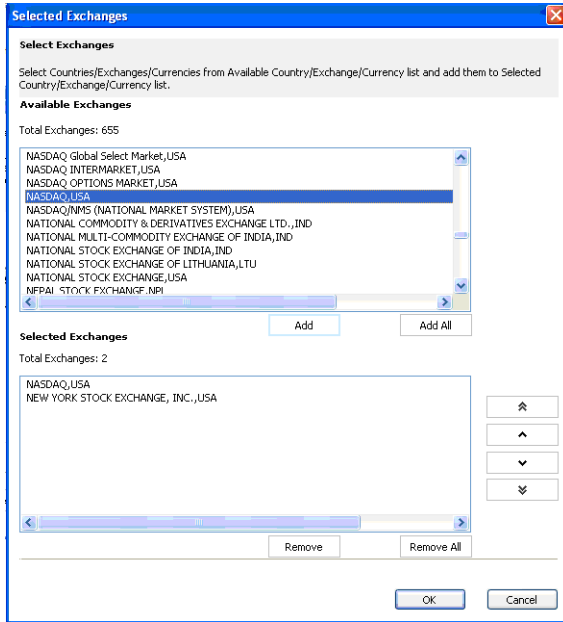
7. Click **OK**. You will be returned to the Set Exchange Filter screen, where you will see your list of exchanges. Check the **Import Match** boxes to apply this filter to the mapping process while importing. You may also choose to check the **Apply to find Stock Security** boxes, which will apply the filter when you search for a stock. This means that when you search for a security within the Transactions Wizard, only results found within the exchanges on your list will be displayed.
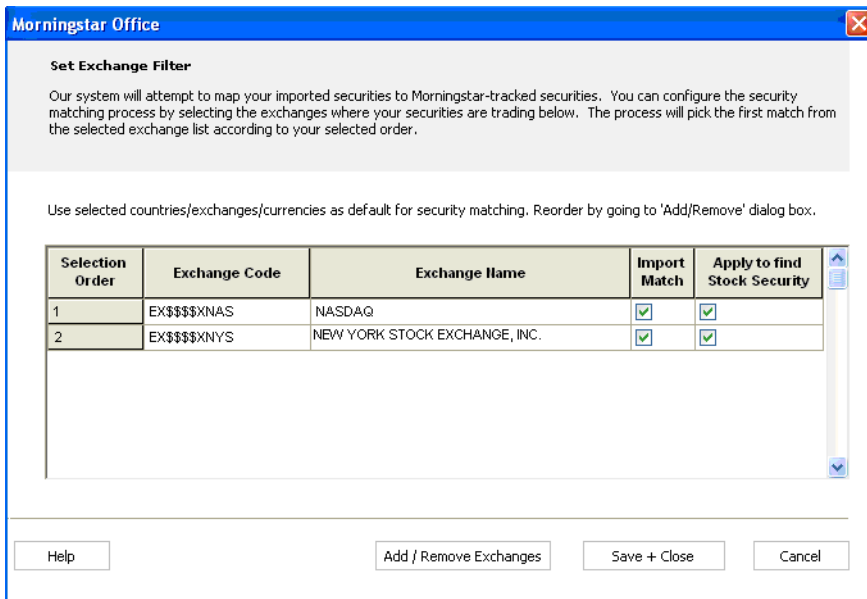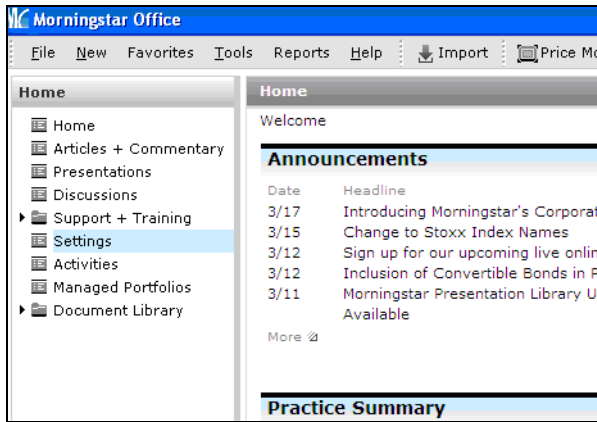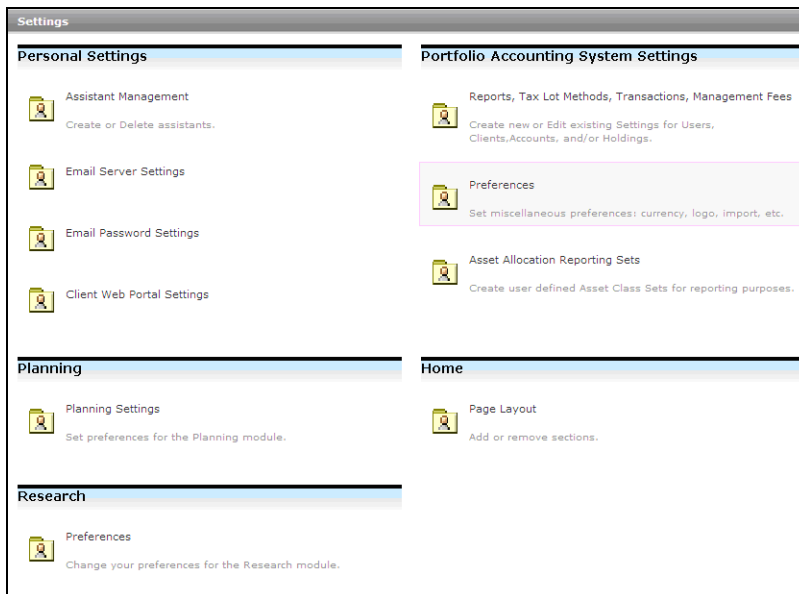

8. Click **Save + Close**.

To apply a currency filter, do the following:

1. From the **Home** screen, click on **Settings** in the left-hand navigation panel.

2. Under Portfolio Accounting System Settings, click **Preferences**.

3. The Preferences window appears. Click **Set Currency Filter**.
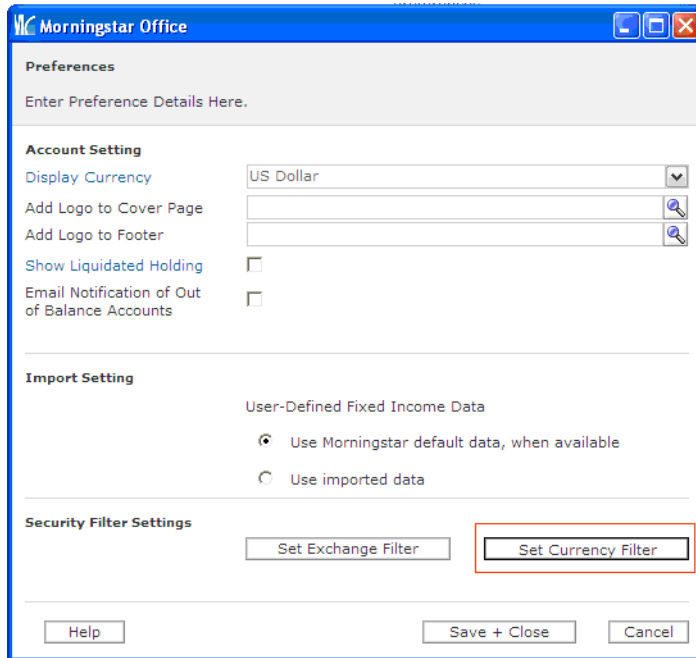
4. The Currency Filter window appears. You will see US Dollars listed.
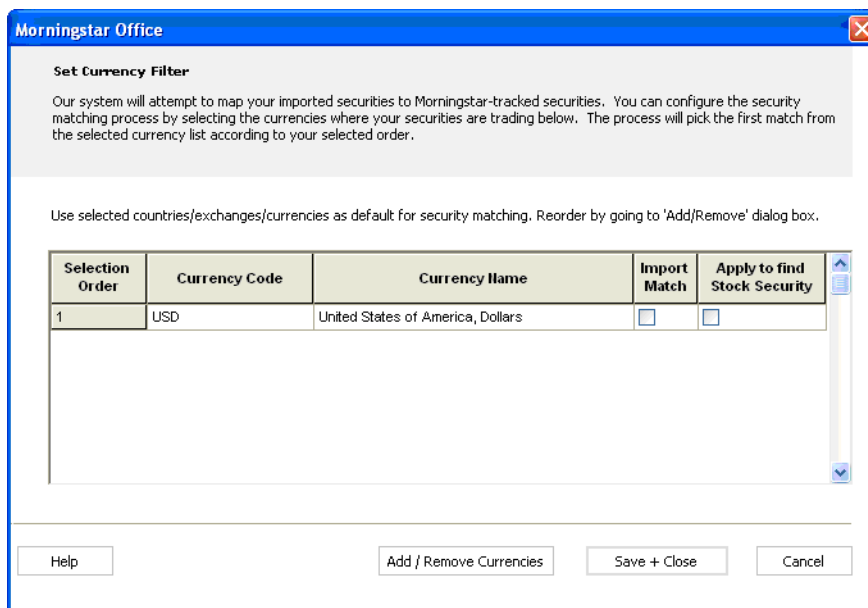
5. To add edit the contents of your currency list, click **Add/Remove Currencies** and follow the same procedure described above for the Exchange filter.
6. Once your currency list contains your desired currencies, check **Import Match** and **Apply to find Stock Security** boxes to apply this filter to the import mapping process and to your research search results. When you are done, click **Save + Close**.
7. You will be returned to the Preferences window. Click **Save + Close** to exit.

Applying Imported Price Setting for Performance Reports

Your daily files from TD AMERITRADE include a price file, which contains updated price information for every security held in your accounts. This price data is stored within the Definition Master. When generating performance reports, this imported price history will be used to analyze the performance of all securities not tracked by Morningstar, such as fixed income securities or options.

When it comes to calculating the performance history of Morningstar-tracked securities, you have the option to use either Morningstar's prices, or imported prices from TD AMERITRADE.

It is recommended that you select the option to apply TD AMERITRADE's prices, rather than Morningstar's prices, when generating performance reports. This will eliminate any price discrepancies that could otherwise appear between custodian-generated reports and reports you generate using Morningstar Office. This setting should be applied prior to importing securities from TD AMERITRADE.

Overview

To select a price source for imported transactions, do the following:

1. From the **Tools** menu, select **Settings**…**Set Default User Settings**. A dialog box appears.

How to select a price source for imported transactions
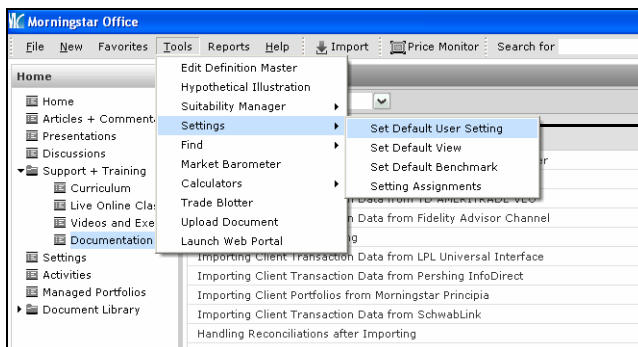
Select this option
to choose the price source
for securities when importing.

2. Uncheck the box marked **Use Morningstar Price**.
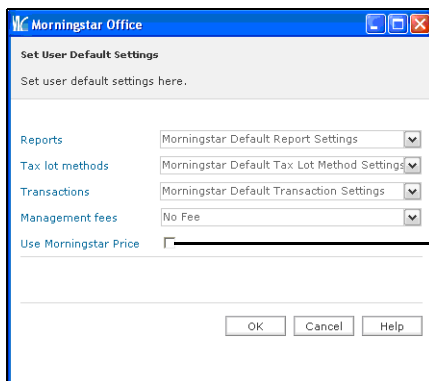
If this box is checked, Morningstar prices will be used when generating reports. If the box is left unchecked, imported prices will be used when generating reports.

3. Click **OK** to save the setting.

Initializing Positions

For advisors not undergoing a database conversion, it is usually necessary to establish initial positions for each of your clients before you can begin importing transactional data. The initialization process is done only once and generates these starting positions as of the date of your choosing. The initial positions generated will be the ending share quantities and market values as of the initialization date.

> ☞ Initialization is only necessary for advisors who are not taking advantage of Morningstar's database conversion services. If you previously used a different portfolio management system and have had your clients' transactional history transferred into Morningstar Office, skip this step of the process.

Overview

To initialize positions, do the following:

1. From the toolbar at the top of the screen, click **Import**. The Import window appears.
2. Check the **box** next to the file type name TD Waterhouse.
3. On the Action Shortcuts toolbar, click **Initialize Positions**.

**Importing for the first time (Initializing)**
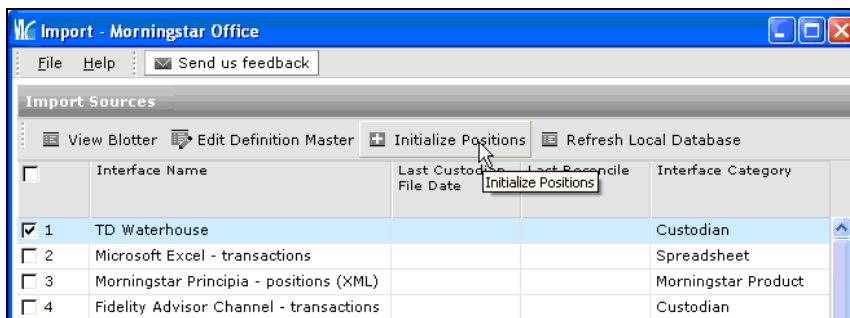
4. The Initialization dialog box appears. Click on the **magnifying glass** icon next to the File Name field to select the location where your TD AMERITRADE files are stored.

5. The Initialize Date field will automatically populate with the earliest date for which a position file is available. If you wish to select a later date, you can edit the Initialize Date field.
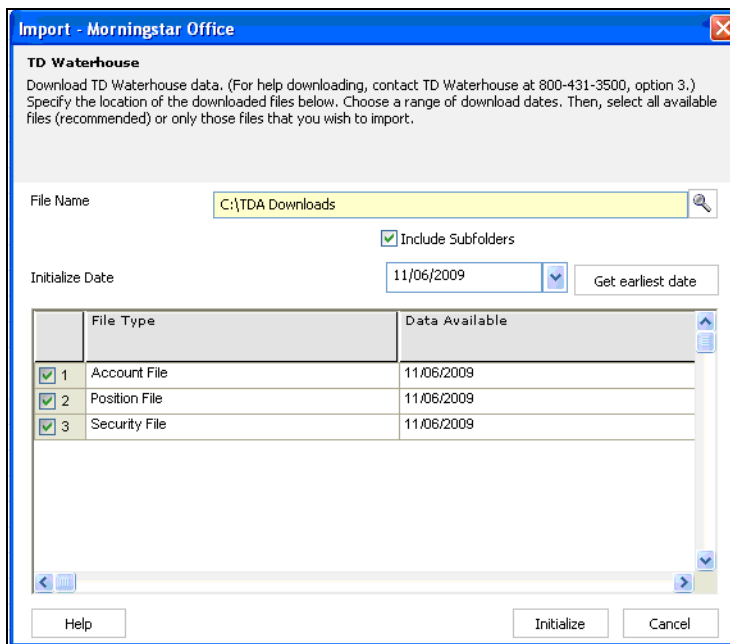
6. Click **Initialize**. The initialization blotter will appear. This blotter summarizes all information that will be posted to Morningstar Office from your files. Glance over the Accounts, Transactions and Securities sections of the blotter to ensure that the information to be posted is correct.
7. You might encounter some transactions or securities that are in warning status, requiring extra attention. If you encounter a warning symbol in the status column next any item, refer to the document "Handling Warnings in the Import Blotter."
8. From within the toolbar at the top of the blotter, click **Post**. This uploads all information contained within the blotter to your Morningstar Office database.
9. You should see the following confirmation message appear: "The import data has successfully been posted."
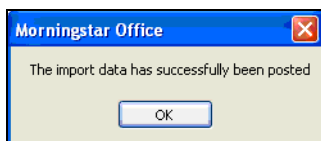
10. The client information, account numbers, and initial positions for each account have now successfully posted to Morningstar Office.

    ☞ If you experience any errors or difficulty posting, contact Morningstar Office Product Support at
   1-866-215-2503.

Applying the Correct Settings for Manual Transactions

After initializing, Morningstar recommends that you create a setting for manual transactions to mimic the TD AMERITRADE transaction format. This setting will apply the appropriate cash offset (CASH) to any transactions that are manually created within your imported accounts. The instructions below explain how to apply this transaction setting to all accounts in your practice.

If you have other transactional accounts within your practice that are not imported from TD AMERITRADE, you may wish to apply a separate transaction setting to these accounts. Contact Morningstar's support desk for assistance at 1-866-215-2503.

Overview

To create a new Portfolio Accounting System setting, do the following:

1. From the **Home** screen, click on **Settings** in the left-hand navigation panel.
2. Under the Portfolio Accounting System Settings area, click once on **Reports, Tax Lot Methods, Transactions, Management Fees**. The Settings pop-up window appears.
3. From the toolbar, click **New Setting**…**New Transactions Setting**.
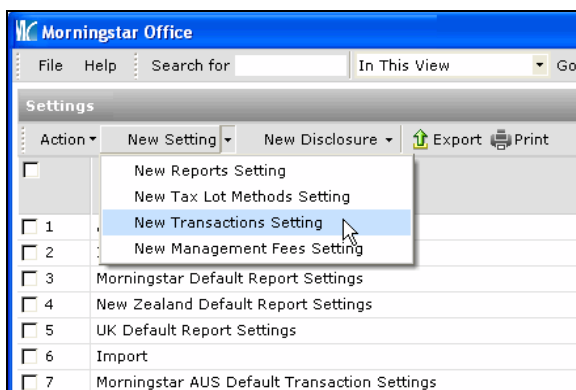
How to create a new Portfolio Accounting System setting

4. In the new window that appears, enter a **name** for your new setting in the **Setting Name** field. Choose a name that reflects the import source for the accounts to which it will be applied.
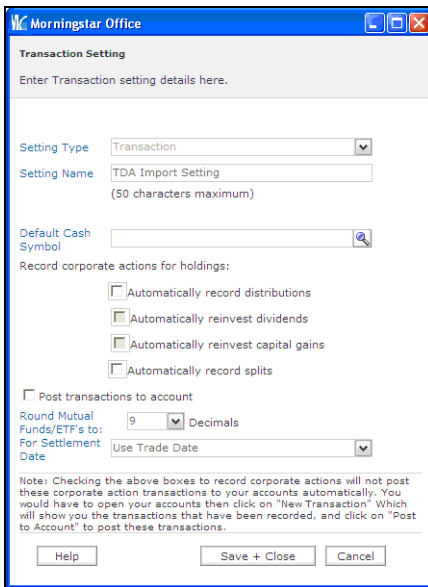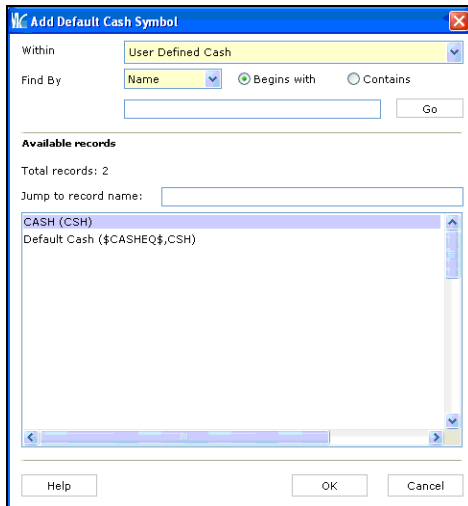
5. In the Default Cash Symbol field, click the **magnifying glass** icon. The Add Default Cash Symbol dialog box opens.

6. Click the **Within** drop-down and select **User Defined Cash**, then click **Go**.
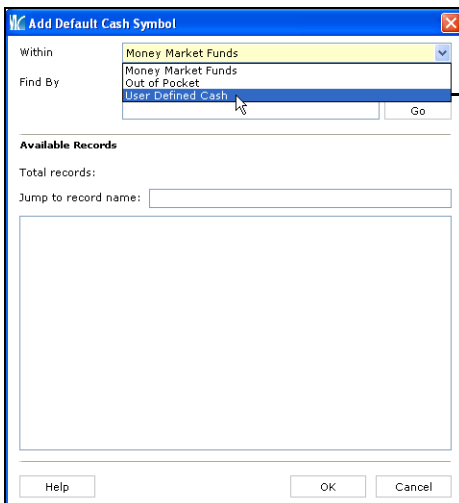
Click the **Within** drop-down and select **User Defined Cash**.

7. In the Available Records box, select **CASH**.

8. Click **OK**. You are returned to the Transaction Setting window. Do not select any check boxes on the dialog box.
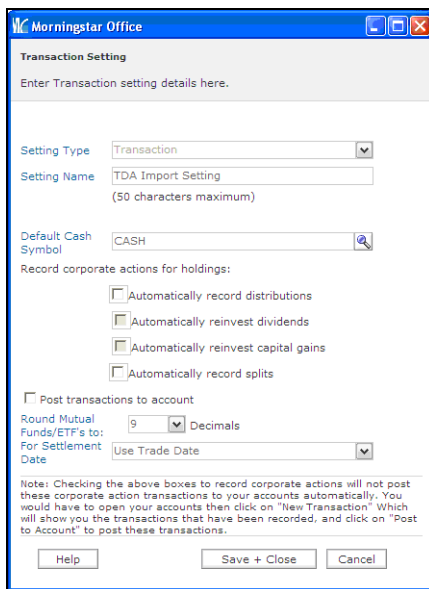
9. Click **Save + Close**.
10. Click **OK** when the save confirmation message appears.
11. Close the Settings window.
12. The last step is to make this transaction setting the default setting for all accounts. From the toolbar at the top of the screen, click **Tools** and select **Settings...Set User Default Settings**.

13. Click the **Transactions** drop-down menu and select your newly created setting.

Click the **Transactions** drop-down menu and select the setting you created
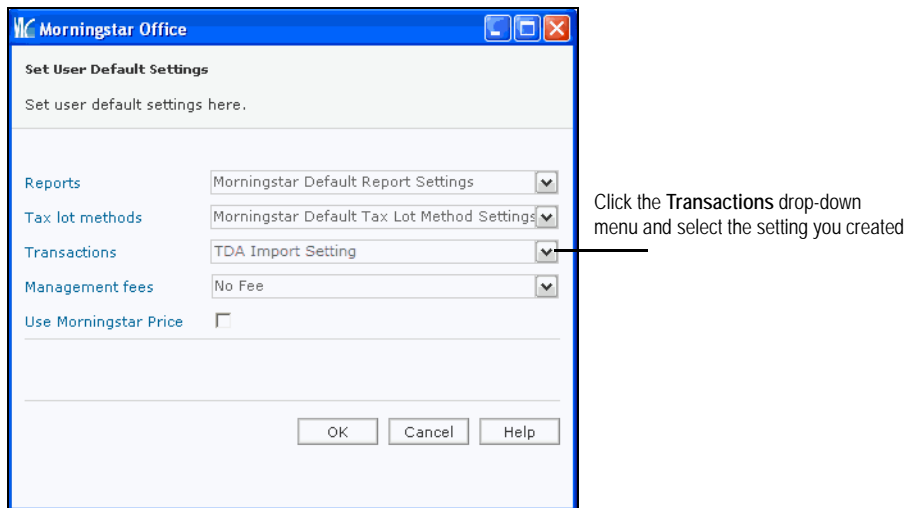
14. Click **OK**.
15. Click **OK** when the confirmation message appears.

The Daily Import Process

After you have completed the steps described above, you are ready to begin the ongoing import process. It is recommended that you import once a day if possible. If you are unable to import daily, avoid importing more than a week's worth of data at a time, so as to maximize the ease and efficiency of the process. The Import process consists of four main steps: loading the blotter, reviewing data, reconciliation and posting. These are summarized below.

Overview

1. From the toolbar at the top of the main screen, click **Import**. The Import window appears.
2. Check the **box** next to TD Waterhouse.
3. On the toolbar at the top of the Import window, click **Import**. The Import dialog box appears.
4. Confirm that the starting date displayed is correct. The starting date field should automatically display the date following that of your last imported file.

    ☞ For example, if you initialized as of January 15th, 2010 and are importing for the first time, your start date should be January 16, 2010.

5. The end date field automatically displays the current date.

    ☞ By keeping track of which files have already been imported, Morningstar ensures that you do not accidentally import the same file twice.

6. Click **OK**. The Import blotter appears. This blotter summarizes all information that will be posted to Morningstar Office from your files.

Loading the Blotter

Once the blotter has loaded, glance over the Accounts, Transactions and Securities sections of the blotter to ensure that the information to be posted is correct. If you encounter a warning symbol in the status column next any item, refer to the document "Handling Warnings in the Import Blotter."

Reviewing Data

After confirming that the information contained in the blotter is correct, run the reconciliation process by clicking on the **Reconcile** button in the upper right-hand corner of the screen.

In this process, the position of each individual holding within your accounts, which is calculated based on the transaction history recorded within Morningstar Office, is compared to the positions contained in the position file provided by TD AMERITRADE. Any holdings for which Morningstar's calculated position does not equal the position in the TD AMERITRADE file will appear within the Failed Reconciliation section of the blotter.

If you see out of balance items appear during Reconciliation, call Morningstar Office Product Support at 1-866-215-2503 for assistance with troubleshooting.

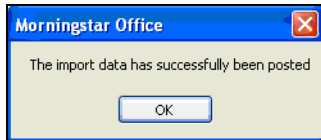**Reconciliation**

When you have finished reconciling positions, click on the Post button in the upper left-hand corner of the toolbar. You should see the message appear, "The import data has successfully been posted. Click **OK**.

Posting

It is possible that you might instead receive the message, "The data in the following blotters haven't been posted completely – Transactions." After clicking **OK**, you will see one or more transactions in warning status remaining on the transactions blotter. Note that these transactions need to be posted or handled before beginning a new import. Otherwise, they will be automatically deleted and may cause reconciliation problems. Hold the cursor over the warning symbol in the status column of each transaction to determine what action is required.

For assistance, refer to the document "Handling Warnings in the Import Blotter" or call the Product Support team for help at 1-866-215-2503.