**Procedure for Monthly Prepaid Insurance Entry**

* In July of each fiscal year, a bill is received for Liability and Workers Compensation Insurance which covers the entire year. This bill is to be coded to Prepaid Insurance (01-00-000000-12010.) (See Copy of Bill Below.)
* Setup a table showing the amortization of the premium over 12 months as shown below.



* Each Month during the fiscal year, move 1/12th of the year’s prepaid amount to expense as shown below.



**Copy of FY19 Insurance Bill.**

