IPO Readiness Checklist

Checklist · 137 items · 10 sections

A working checklist for late-stage private companies preparing to file an S-1 with the SEC. Covers the 18-24 month runway from decision through pricing and post-IPO reporting, with vendor names, filing deadlines, and accounting standards built in.

Open the editable version online:
https://genechecklist.com/checklist/ipo-readiness-checklist

DECISION AND TEAM (18-24 MONTHS PRE-IPO)

- [ ] Run the IPO vs. stay private analysis with the board: capital need, comparable public valuations, market window, secondary liquidity alternatives

  HIGH

- [ ] Compare exit paths: traditional IPO, direct listing (Spotify/Slack/Coinbase model), SPAC merger, continued private rounds, strategic M&A

  HIGH

- [ ] Confirm minimum scale benchmarks: $100M+ ARR, 30%+ growth, clear path to GAAP profitability or proven unit economics

  HIGH

- [ ] Hire IPO-experienced CFO if current CFO has not taken a company public

  HIGH

  Need 12+ months runway before filing.

- [ ] Hire IPO-experienced General Counsel, owning SEC reporting, securities law, governance

  HIGH

- [ ] Recruit a Chief Accounting Officer (CAO) or VP Controller with PCAOB audit and SEC reporting background

  HIGH

- [ ] Recruit a Head of Internal Audit reporting functionally to the Audit Committee

  HIGH

- [ ] Refresh the board to a majority of independent directors under NYSE Rule 303A or Nasdaq Rule 5605

  HIGH

- [ ] Recruit Audit Committee Chair qualifying as 'audit committee financial expert' under SEC Item 407(d)(5)

  HIGH

- [ ] Stand up Audit, Compensation, and Nominating/Governance Committees with written charters

HIGH

- [ ] Run a beauty parade with 4-6 underwriters: Goldman Sachs, Morgan Stanley, JPMorgan, BofA Securities, Citi, Barclays
- [ ] Select lead left bookrunner 9-12 months before filing, plus 2-4 active bookrunners and co-managers
- [ ] Engage a capital markets advisor (Class V Group, ICR, Solebury) to sit on the company side of underwriter negotiations
- [ ] Decide on Emerging Growth Company (EGC) status under JOBS Act if revenue under $1.235B
  Allows 2 years of audited financials and confidential filing.
- [ ] Decide on Smaller Reporting Company (SRC) status if public float expected under $250M

FINANCIAL READINESS

- [ ] Engage a PCAOB-registered auditor (Deloitte, EY, PwC, KPMG, or BDO/Grant Thornton for smaller filers) at least 24 months out
  HIGH
- [ ] Deliver 3 years of audited financials under PCAOB standards (2 years if EGC)
  HIGH
- [ ] Re-audit prior periods if existing auditor is not PCAOB-registered for issuer audits
  HIGH
- [ ] Convert IFRS books to US GAAP if applicable, with reconciliation footnotes
  HIGH
- [ ] Tighten monthly close to 5-7 business days with a hard stop on day 7
  HIGH
- [ ] Implement a quarterly close calendar supporting 10-Q filing within 40-45 days of quarter end
  HIGH
- [ ] Document revenue recognition under ASC 606: performance obligations, variable consideration, contract modifications
  HIGH
- [ ] Document stock-based compensation under ASC 718: 409A valuations, cheap stock analysis, Black-Scholes assumptions
  HIGH
- [ ] Document lease accounting under ASC 842 with ROU assets and lease liability rollforwards
  HIGH
- [ ] Document tax provision under ASC 740: deferred tax assets, valuation allowances, uncertain tax positions (FIN 48)
  HIGH
- [ ] Run a cheap stock review for 12-18 months of pre-IPO option grants to avoid SEC comments
  HIGH
- [ ] Build non-GAAP measures policy: clear definitions, reconciliations to GAAP, Reg G compliance

HIGH

- [ ] Build a 3-year financial forecast model with monthly granularity for S-1 MD&A and management guidance

  HIGH

- [ ] Hit forecast accuracy within 2-5% for revenue for 4 consecutive quarters before filing

  HIGH

- [ ] Build FP&A team: VP FP&A, 2-4 analysts, dedicated revenue and SaaS metrics analysts

  HIGH

- [ ] Implement segment reporting under ASC 280 if operations cross product lines or geographies
- [ ] Document EPS calculations under ASC 260, including dilutive securities
- [ ] Build a treasury policy: cash, investments, FX hedging
- [ ] Stand up a technical accounting function or retain Big 4 accounting advisory for complex transactions

LEGAL AND CORPORATE GOVERNANCE

- [ ] Convert to a Delaware C-corporation if currently LLC, S-corp, or non-Delaware entity

  HIGH

- [ ] Clean up cap table: cancel unissued options, true up grants, resolve disputed equity claims

  HIGH

- [ ] Engage outside SEC counsel (Cooley, Wilson Sonsini, Latham & Watkins, Goodwin Procter, Davis Polk, Fenwick)

  HIGH

- [ ] Run legal due diligence: IP assignments, contractor agreements, customer contracts, open source compliance

  HIGH

- [ ] Adopt a Code of Business Conduct and Ethics, posted to the IR site

  HIGH

- [ ] Adopt Corporate Governance Guidelines

  HIGH

- [ ] Adopt Insider Trading Policy: blackout windows, pre-clearance, Rule 10b5-1 plan rules

  HIGH

- [ ] Adopt Whistleblower Policy: anonymous reporting channels, Audit Committee oversight

  HIGH

- [ ] Adopt Regulation FD compliance policy: authorized spokespeople, disclosure controls

  HIGH

- [ ] Adopt Related Person Transactions Policy under Item 404 of Regulation S-K

  HIGH

- [ ] Adopt Clawback Policy under SEC Rule 10D-1 for executive comp recovery on restatements

HIGH

- [ ] Build FCPA and anti-bribery compliance program with training and third-party diligence
  HIGH
- [ ] File updated certificate of incorporation and bylaws (classified board, exclusive forum, advance notice)
  HIGH
- [ ] Reserve public company name and ticker symbol with NYSE or Nasdaq
- [ ] Run a Section 16 officer designation exercise to identify reporting persons
- [ ] Adopt Disclosure Controls and Procedures policy under Exchange Act Rule 13a-15

SEC S-1 FILING

- [ ] Hold the organizational meeting (org meeting) with company, underwriters, counsel, auditors to kick off S-1 drafting
  HIGH
- [ ] Engage a financial printer (Donnelley Financial Solutions, Toppan Merrill, Workiva) for EDGAR filing
  HIGH
- [ ] Submit confidential draft registration statement (DRS) if filing as EGC under JOBS Act Section 106
  HIGH
- [ ] Run 10-20 drafting sessions over 3-6 months: business description, risk factors, MD&A, financials
  HIGH
- [ ] Draft Business section: products, market, growth strategy, competition, IP
  HIGH
- [ ] Draft Risk Factors with 30-60 company-specific risks, avoiding boilerplate
  HIGH
- [ ] Draft MD&A covering 3 years of results, key operating metrics, liquidity, known trends
  HIGH
- [ ] Draft Executive Compensation disclosure under Item 402 of Regulation S-K
  HIGH
- [ ] Draft Use of Proceeds with specific allocation buckets (working capital, debt repayment, acquisitions)
  HIGH
- [ ] Draft Dilution and Capitalization tables
  HIGH
- [ ] Complete D&O questionnaires for every director and executive officer
  HIGH

- [ ] Run underwriter legal due diligence with company counsel and underwriter counsel (Davis Polk, Skadden, Sullivan & Cromwell)

  HIGH
- [ ] Run underwriter accounting due diligence with comfort letter procedures (SAS 72 negative assurance)

  HIGH
- [ ] Respond to SEC Staff comment letters within 10 business days (typical 2-4 rounds)

  HIGH
- [ ] File FINRA Form U-5A or U-5B for underwriter clearance
- [ ] File NYSE or Nasdaq listing application with audited financials and corporate documents
- [ ] Prepare Free Writing Prospectus (FWP) framework for roadshow materials

SOX 404 INTERNAL CONTROLS

- [ ] Start SOX readiness 18 months before filing; goal: management's first 404(a) assertion in the first 10-K

  HIGH
- [ ] Engage a SOX advisor (Big 4 advisory, Protiviti, RSM, Riveron) separate from the external auditor

  HIGH
- [ ] Document control environment using COSO 2013 framework (5 components, 17 principles)

  HIGH
- [ ] Build a Risk and Control Matrix (RCM) covering revenue, P2P, payroll, financial close, equity, tax

  HIGH
- [ ] Run process walkthroughs and document narratives and flowcharts

  HIGH
- [ ] Test design effectiveness of every key control before testing operating effectiveness

  HIGH
- [ ] Test operating effectiveness with AICPA-aligned sample sizes (25-60 depending on frequency)

  HIGH
- [ ] Document ITGCs: logical access, change management, computer operations, backup/recovery for in-scope systems

  HIGH
- [ ] Remediate all material weaknesses and significant deficiencies before the first 404(b) opinion

  HIGH
- [ ] Implement segregation of duties controls in NetSuite, Workday, Salesforce, and the equity system

  HIGH

- [ ] Build quarterly SOX certification cadence aligned to 302 and 906 certifications
- [ ] Establish a Disclosure Committee chaired by CFO or General Counsel

HR AND EQUITY

- [ ] Benchmark executive compensation with Aon Radford, Mercer, Equilar, or Compensia

  HIGH
- [ ] Redesign executive comp package: base, target bonus, RSUs/PSUs, peer-aligned mix

  HIGH
- [ ] Adopt 10b5-1 trading plans for CEO, CFO, and other Section 16 officers

  HIGH

  Mandatory 90-120 day cooling-off period under amended Rule 10b5-1.
- [ ] Define quarterly insider trading window opens and closes tied to earnings releases

  HIGH
- [ ] Adopt a new omnibus Equity Incentive Plan with shareholder approval before the IPO

  HIGH
- [ ] Adopt Employee Stock Purchase Plan (ESPP) under IRC Section 423 if offering one

  HIGH
- [ ] File Form S-8 to register employee plan shares within days of IPO closing

  HIGH
- [ ] Run background checks (Kroll, Sterling, HireRight) on all directors and Section 16 officers

  HIGH
- [ ] Bind D&O insurance with A/B/C tower (Side A DIC, ABC primary, excess) of $50M-$200M

  HIGH
- [ ] Run 280G golden parachute analysis for change-in-control payments

  HIGH
- [ ] Refresh employee handbook for public company status (Reg FD, insider trading reminders)
- [ ] Adopt stock ownership guidelines (typically 5x base for CEO, 3x for other NEOs)
- [ ] Adopt anti-hedging and anti-pledging policy for directors and officers

INVESTOR RELATIONS

- [ ] Hire VP Investor Relations 6-9 months before filing, with prior public company IR experience

  HIGH
- [ ] Engage IR firm (ICR, Sard Verbinnen, Edelman Smithfield) for messaging and analyst targeting

  HIGH
- [ ] Build IR website (Q4 Inc, Notified, EQS) with SEC filings, press releases, events, stock quote

  HIGH
- [ ] Draft press release templates: launch, earnings, M&A, leadership change, 8-K events

HIGH

- [ ] Build IPO investor presentation deck (40-60 slides) for 1x1s and the roadshow
  HIGH
- [ ] Build post-IPO earnings call script template, MD&A bridge, Q&A prep book
  HIGH
- [ ] Plan first Analyst Day for 6-12 months post-IPO
- [ ] Build target shareholder list: long-only mutual funds, hedge funds, sovereign wealth, retail
- [ ] Design sustainable quarterly KPI disclosure (ARR, NRR, customer count, gross margin)

TECHNOLOGY AND OPERATIONS

- [ ] Audit financial systems stack: NetSuite, SAP S/4HANA, Oracle Fusion, Workday Financials
  HIGH
- [ ] Implement an HRIS supporting public company reporting (Workday, ADP Workforce Now, UKG)
  HIGH
- [ ] Automate bank reconciliations, intercompany eliminations, revenue reconciliations
  HIGH
- [ ] Implement treasury management system (Kyriba, GTreasury) if cash balances exceed $200M
  HIGH
- [ ] Implement equity management platform (Carta, Shareworks, AST Equity Plan Solutions) wired for Section 16 reporting
  HIGH
- [ ] Implement SOX governance tool (AuditBoard, Workiva, Diligent) for control documentation and testing
  HIGH
- [ ] Complete a SOC 2 Type II report on customer-facing systems
  HIGH
- [ ] Map cybersecurity controls to NIST CSF; prepare for SEC cybersecurity disclosure under Item 106 of Reg S-K
  HIGH
- [ ] Build incident response plan supporting 4-business-day 8-K cybersecurity disclosure under Item 1.05
  HIGH
- [ ] Map data privacy controls to GDPR, CCPA/CPRA, and state privacy laws (CO, VA, CT, UT)
  HIGH
- [ ] Stand up Internal Audit function with co-source partner (Protiviti, Crowe, RSM) if not fully in-house
  HIGH

- [ ] Implement CPM/EPM tool for consolidations (OneStream, Anaplan, Pigment, Workday Adaptive)

UNDERWRITER SELECTION AND ROADSHOW

- [ ] Sign engagement letter with lead left bookrunner; lock in gross spread (typically 6.5-7% for IPOs under $1B)

  HIGH

- [ ] Negotiate syndicate structure: 2-4 active bookrunners, 3-6 co-managers, with economics splits

  HIGH

- [ ] Draft underwriting agreement, lock-up agreements (180 days standard), over-allotment option (15% green shoe)

  HIGH

- [ ] Hold testing-the-waters (TTW) meetings under Section 5(d) for EGCs with 20-40 institutional investors

  HIGH

- [ ] File public S-1 amendment with price range, typically 15 business days before pricing

  HIGH

- [ ] Run the 1-2 week roadshow across NY, Boston, SF, London (or virtual via Netroadshow)

  HIGH

- [ ] Hold pricing committee meeting the night before trading: set offer price, allocate shares to institutional book

  HIGH

- [ ] File final pricing prospectus (424(b)) and ring the bell at NYSE or Nasdaq

  HIGH

- [ ] Plan green shoe stabilization activity for 30 days post-IPO

POST-IPO FIRST YEAR OBLIGATIONS

- [ ] Hold first earnings call within 45 days of first quarter end as a public company

  HIGH

- [ ] File first Form 10-Q within 40 days (large accelerated) or 45 days (accelerated/non-accelerated)

  HIGH

- [ ] File first Form 10-K within 60 days (large accelerated), 75 (accelerated), or 90 (non-accelerated/SRC)

  HIGH

- [ ] File Form 8-K within 4 business days of material events (earnings, departures, M&A, debt, cyber incidents)

  HIGH

- [ ] File Form 4 within 2 business days of any Section 16 officer or director transaction

HIGH

- [ ] File Form 3 within 10 days of IPO for every Section 16 reporting person
  HIGH
- [ ] File Schedule 13D or 13G for any 5%+ beneficial owner
  HIGH
- [ ] Hold first annual shareholder meeting within 13 months of fiscal year end; file proxy statement (DEF 14A)
  HIGH
- [ ] Run first say-on-pay advisory vote at the first annual meeting (every 1, 2, or 3 years thereafter)
  HIGH
- [ ] File lock-up expiration disclosure 180 days post-IPO; manage secondary offering window
  HIGH
- [ ] Deliver first SOX 302 certifications signed by CEO and CFO in first 10-Q
- [ ] Deliver first SOX 404(a) management assessment in the first 10-K
- [ ] Plan first SOX 404(b) auditor opinion in year 2 (or after EGC status ends, up to 5 years post-IPO)
- [ ] File ESG and human capital disclosures under Item 101(c) of Reg S-K in the 10-K
- [ ] Run first Analyst Day at 6-12 months post-IPO with refreshed long-term targets