



A CEO's Fast-Track Guide to Investor-Ready Governance

Tailored for CEOs of companies with
\$5mm - \$50mm in annual revenue



Introduction

As a CEO in the \$5M–\$50M revenue range, it’s tempting to think “corporate governance” is for large, publicly traded companies. In reality, the earlier you build a governance framework, the more valuable it becomes — for you, your board, your investors, and your company’s long-term stability.

Good governance isn’t bureaucracy — **it’s a growth enabler**. It reduces risk, speeds decision-making, builds credibility with your board, and makes audits or due diligence painless. This guide gives you 10 practical steps to get governance right from the start.

01 Understand the Value of Early Governance

02 Define Roles & Responsibilities

03 Build a Simple Governance Calendar

04 Adopt Key Foundational Policies

05 Maintain Accurate & Accessible Records

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08 Engage Your Board Effectively

09 Prepare for Audits & Due Diligence

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01

Understand the Value of Early Governance

Why it matters:

- Early governance habits make compliance part of your culture, not a last-minute scramble.
- A strong governance track record reassures investors, lenders, and potential acquirers that you're disciplined and low risk.
- It allows you to make decisions faster because the rules, responsibilities, and reporting are already defined.

CEO Action

Treat governance as a strategic advantage. By starting early, you avoid costly missteps, reduce distraction during fundraising or M&A, and make your board a genuine partner in growth.

02

Define Roles & Responsibilities

Why it matters:

Ambiguity around decision-making authority can cause delays, create liability, and frustrate your team.

Actions

- Document the responsibilities of the CEO, the board, and key executives.
- Draft a Delegation of Authority policy — defining who can approve contracts, sign checks, hire senior roles, or approve budgets.
- Make it visible and easy to reference.

Example: A contract above \$50,000 may require CEO + CFO sign-off; capital expenditure over \$100,000 may need board approval.

03



Build a Simple Governance Calendar

Why it matters:

Compliance deadlines, reporting requirements, and board meetings can easily get lost in the day-to-day. A governance calendar makes these predictable and stress-free.

Actions

Include:

- Quarterly board meetings
 - Annual strategic planning session
 - Tax filings and license renewals
 - Insurance policy reviews
 - Policy review deadlines
- Share the calendar with your leadership team and executive assistant.
 - Use reminders in your calendar system or a project management tool.

04

Adopt Key Foundational Policies

Why it matters:

These policies set expectations, create legal protection, and demonstrate to your board and investors that you're operating professionally.

Start with these “core four”:

Code of Conduct & Ethics – Defines acceptable behavior for employees, executives, and directors.

Conflict of Interest Policy – Requires disclosure and management of any competing interests.

Whistleblower Policy – Protects employees who report misconduct.

Data Privacy & Security Policy – Addresses customer data handling, cybersecurity practices, and compliance with applicable laws (e.g., GDPR, CCPA).

Tip: Keep them short and clear — complexity kills adoption.

05

Maintain Accurate & Accessible Records

Why it matters:

In due diligence or an audit, the speed at which you can produce accurate records signals operational quality. Disorganized records can kill deals or invite regulatory scrutiny.

CEO Actions:

- Store board minutes, shareholder agreements, key contracts, and IP assignments in a secure, indexed repository (cloud-based board portal, encrypted drive).
- Create a simple filing convention: “YYYY-MM-DD – Document Name – Version.”
- Restrict access to sensitive documents but ensure backups are maintained.

06

Establish a Compliance Checklist

Why it matters:

A compliance checklist ensures nothing slips through the cracks and that your company stays “audit-ready” all year.

CEO Actions:

- Include legal, regulatory, tax, HR, and contractual obligations.
- Assign an internal “owner” for each item (e.g., CFO for tax filings, COO for licensing).
- Review quarterly.
- Keep the list in a shared document or governance software.

Pro Tip: 👁️ Check out the ready-to-go checklist at the end of this guide.

07

Implement Financial Controls

Why it matters:

Strong financial controls protect your cash, prevent fraud, and make investors confident in your numbers.

CEO Actions:

- Require dual approvals for payments above a set threshold.
- Separate duties between those who approve, pay, and reconcile expenses.
- Reconcile bank and credit accounts monthly.
- Document approval processes for major expenditures.

Example: A \$25K vendor invoice may require department head approval, CFO approval, and CEO review before payment.



08

Engage Your Board Effectively

Why it matters:

Boards can be an incredible strategic asset — but only if they're informed and engaged. Poor board communication erodes trust and slows decisions.

CEO Actions:

- Send board materials 3–7 days before each meeting.
- Include a “CEO Summary” highlighting:
 - Key wins/losses
 - Financial highlights
 - Risks & opportunities
 - Decisions needed from the board
- Use secure sharing (not email attachments).

Pro Tip: Pre-read comments from board members can surface concerns early and keep meetings focused.

09

Prepare for Audits & Due Diligence

Why it matters:

A well-prepared CEO can go from “interested investor” to “closed deal” faster by making the due diligence process seamless.

CEO Actions:

- Maintain a Virtual Data Room (VDR) with up-to-date:
 - Financial statements & tax returns
 - Incorporation documents & bylaws
 - Major contracts & leases
 - IP documentation
 - HR policies & employee agreements
- Update it quarterly so you're always ready.

Mindset shift: Due diligence is not an event — it's an ongoing state of readiness.

10

Review & Improve Annually

Why it matters:

As your business grows, governance needs to evolve. What works at \$5M revenue may be insufficient at \$30M.

CEO Actions:

- Conduct an annual governance review with your CFO, legal counsel, and board chair.
- Update policies for new laws, market conditions, or strategic changes.
- Gather board feedback on what's working and what needs tightening.

CEO Mindset Shift

Governance and compliance are not about adding red tape. They are about protecting your time, reputation, and company value. Starting early means fewer surprises, smoother growth, and more leverage when raising capital or selling the business.

Continue on for:

The CEO's Fast-Track Governance & Compliance Readiness Checklist





The CEO's Fast-Track Governance & Compliance Readiness Checklist

For Companies with \$5M–\$50M in Revenue

01 Governance Culture

- ☐ Governance & compliance discussed at least quarterly with leadership.
- ☐ All executives understand roles, responsibilities, and decision rights.

02 Roles & Responsibilities

- ☐ Written Delegation of Authority policy in place.
- ☐ CEO, board, and executive team responsibilities documented and accessible.

03 Governance Calendar

- ☐ Annual calendar includes board meetings, filings, policy reviews, and renewals.
- ☐ Deadlines have assigned owners with reminders set.

04 Foundational Policies

- ☐ Code of Conduct & Ethics.
- ☐ Conflict of Interest Policy.
- ☐ Whistleblower Policy.
- ☐ Data Privacy & Security Policy.
- ☐ Policies reviewed/updated in the past 12 months.

05 Records Management

- ☐ Backups in place for all critical documents.
- ☐ Board minutes and approvals stored securely & indexed.
- ☐ Major contracts, IP docs, and corporate records easily retrievable.

06 Compliance Checklist

- Each obligation has an assigned owner.
- Reviewed and updated quarterly.
- List of all legal, regulatory, tax, HR, and contractual obligations maintained.

07 Financial Controls

- Dual approvals required for large payments.
- Separation of duties in approving, paying, and reconciling transactions.
- Monthly reconciliations completed and documented.

08 Board Engagement

- Board materials sent 3–7 days before meetings.
- CEO Summary included with key wins, risks, and decisions needed.
- Secure distribution method (not email attachments) used.

09 Audit & Due Diligence Prep

- Virtual Data Room (VDR) maintained and updated quarterly.
- Includes financials, incorporation docs, contracts, IP, HR, and policies.
- Can grant secure access within 24 hours if requested.

10 - Annual Review

- Annual governance review completed with CFO, legal counsel, and board chair.
- Board feedback collected and implemented.
- Policies updated for new laws or business changes.