



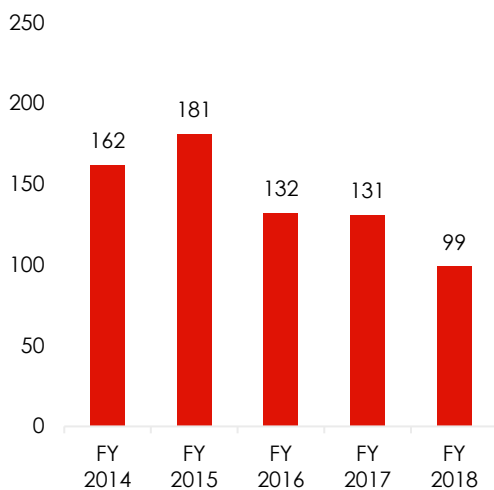
# Quick Facts

## — Organizational Offenders —

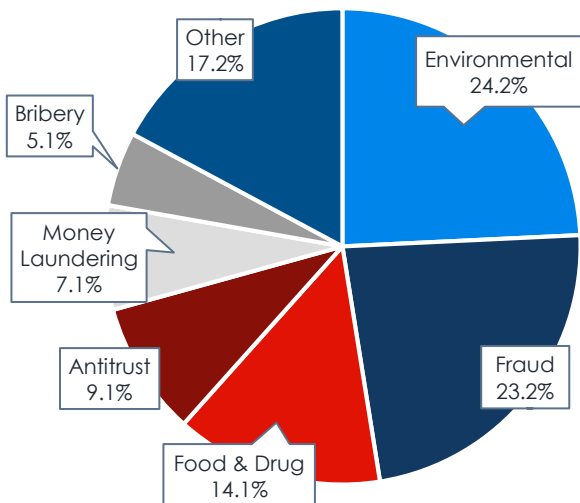
### Fiscal Year 2018

- ▶ IN FY 2018, 99 CASES INVOLVING AN ORGANIZATIONAL OFFENDER WERE REPORTED TO THE U.S. SENTENCING COMMISSION.<sup>1</sup>
- ▶ THE MOST COMMON OFFENSES COMMITTED BY ORGANIZATIONAL OFFENDERS WERE ENVIRONMENTAL AND FRAUD CRIMES.

Number of Organizational Offenders



Organizational Offenders by Primary Offense<sup>2</sup>



### What is an Organizational Offender?

Chapter Eight of the *Guidelines Manual* governs the sentencing of corporations, partnerships, unions, trusts, pension funds, and non-profit organizations.

For some crimes, Chapter Eight provides a formula to calculate the minimum and maximum fine applicable to a defendant after consideration of several factors pertaining to culpability. In other cases, such as those involving environmental crimes, the *Guidelines Manual* instructs the sentencing judge to “determine the appropriate fine by applying the provisions of 18 U.S.C. §§ 3553 and 3572.” Chapter Eight also provides guidance for imposing a term of probation or other costs (such as forfeiture) against a defendant.

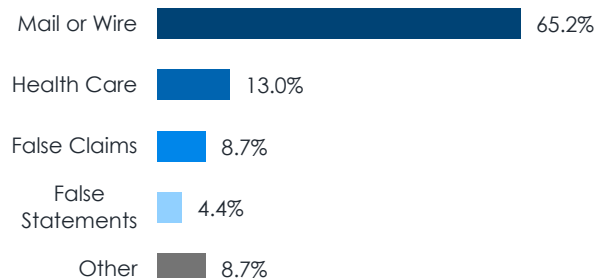
### Organizational Offender Characteristics

- 81.8% of organizational offenders were located within the United States.
- Most organizations were closely-held or private corporations (62.5%), or limited liability companies (22.5%).
- 7.5% were publicly-traded corporations.
- 62.9% employed fewer than 50 workers; 16.1% employed 1,000 workers or more.
- 29.0% had a history of misconduct, including previous criminal or civil adjudications against the organization or pending charges.

### Offense Characteristics

- The most common offenses were environmental (24.2%), fraud (23.2%), food and drug (14.1%), and antitrust (9.1%) crimes.
- Of the types of environmental offenses, 41.7% were hazardous material related, 33.3% were water related, 16.7% were air related, and 8.3% were wildlife related.
- 45.5% of all organizational cases involved at least one related individual who was separately indicted in addition to the organization.

Types of Fraud Offenses





— **Organizational Offenders** —

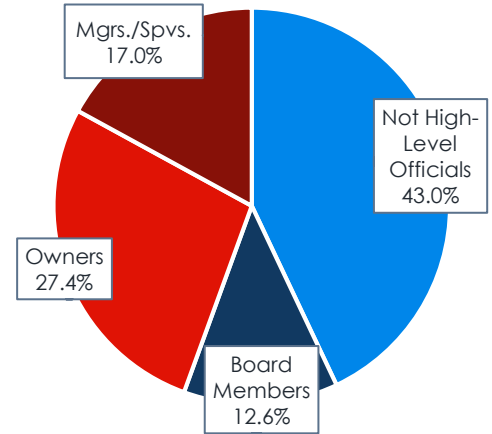
**Chapter Eight Application**

- 54.6% of the 99 organizational offenders were sentenced pursuant to the Chapter Eight fine provisions (found in USSG §§8C2.1-8C2.9). The remaining offenders were sentenced pursuant to §8C2.10.
- Of the 54 organizations sentenced under §§8C2.1-8C2.9:
  - ◆ 24 organizations (44.4%) had fewer than ten employees;
  - ◆ two organizations (3.7%) had a prior criminal or administrative violation;
  - ◆ none had violated a judicial order or condition;
  - ◆ one organization (1.9%) obstructed justice;
  - ◆ one organization (1.9%) had an effective compliance and ethics program;
  - ◆ 33 organizations (61.1%) received an adjustment for cooperating with the investigation and accepting responsibility for the offense;
  - ◆ 16 organizations (29.6%) received an adjustment for acceptance of responsibility for the offense but did not receive an adjustment for cooperating in the investigation.

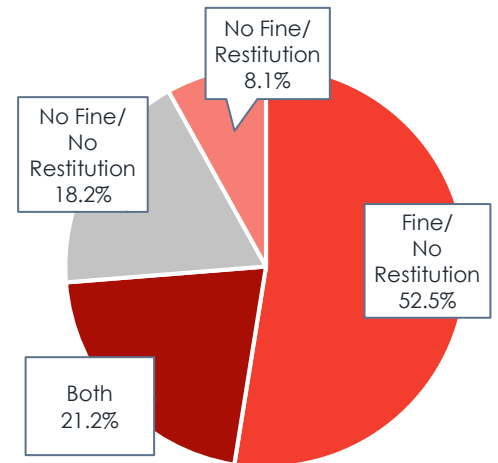
**Punishment**

- 95.0% of all organizational offenders pleaded guilty.
- 75.8% were sentenced to probation.
- 25.3% were ordered to develop a compliance and ethics program, usually as a condition of probation.
- 81.8% were sentenced to pay a fine, restitution, or both:
  - ◆ 90.1% of these organizations had a fine imposed.
    - ◇ The median fine amount ordered was \$500,000 and the average fine amount was \$2,414,826.
  - ◆ 35.8% were ordered to pay restitution.
    - ◇ The median restitution amount ordered was \$747,134 and the average restitution amount was \$4,650,988.
  - ◆ 18.2% were ordered to forfeit money.
    - ◇ The median forfeiture amount was \$2,000,000 and the average forfeiture amount of \$7,981,525.

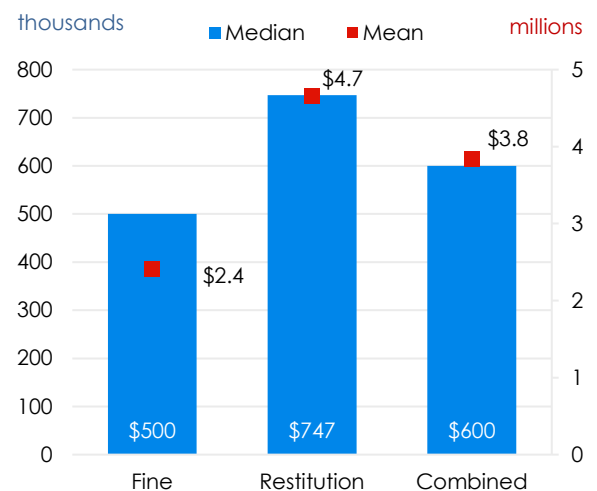
**Level of Authority of Individuals Convicted With Organizational Offenders**



**Types of Monetary Sentences Imposed on Organizational Offenders**



**Fine, Restitution, and Combined Amount (\$)**



<sup>1</sup> Only organizations convicted of a federal offense are included in Commission data. The Commission does not collect data on other dispositions, including non-prosecution or deferred prosecution agreements.

<sup>2</sup> The "Other" primary offense category includes: copyright/trademark infringement, firearms, other, immigration, administration of justice, drugs, food stamps, import/export violations, obstruction of justice, and pornography/prostitution.