



# Quick Facts

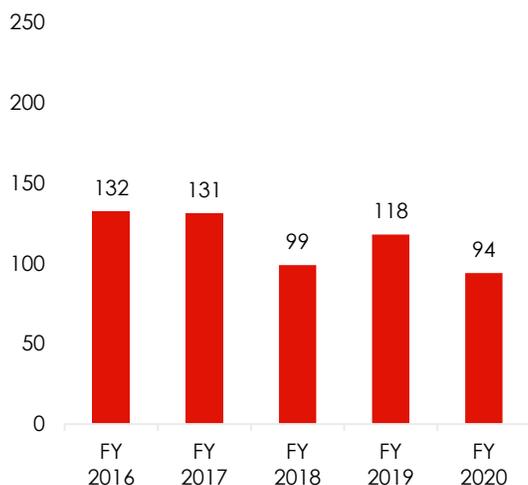


## — Organizational Offenders —

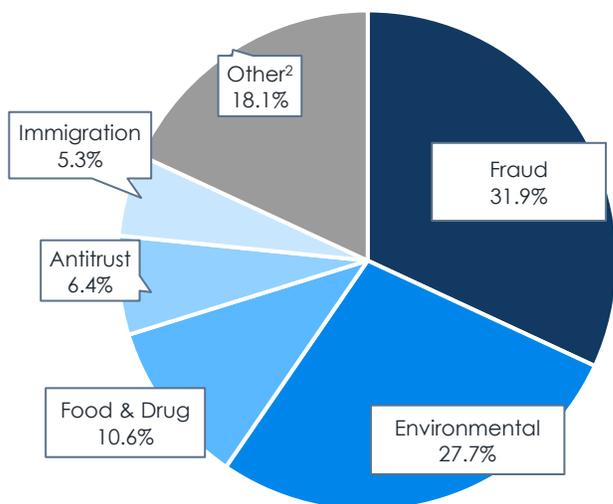
### Fiscal Year 2020

- ▶ IN FY 2020, 94 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 FRAUD AND ENVIRONMENTAL CRIMES.

Number of Organizational Offenders



Organizational Offenders by Primary Offense



### 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.

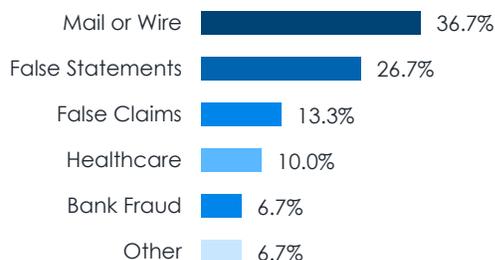
### Organizational Offender Characteristics

- 81.5% of organizational offenders were located within the United States.
- Most organizations were closely-held or private corporations (64.0%) or limited liability companies (22.7%).
- 9.3% were publicly-traded corporations.
- 66.1% employed fewer than 50 workers; 9.7% employed 1,000 employees or more.
- 12.3% had a history of misconduct, including previous criminal or civil adjudications against the organization or pending charges.

### Offense Characteristics

- The most common offenses were fraud (31.9%), environmental (27.7%), food and drug (10.6%), and antitrust (6.4%) crimes.
- Of the types of environmental offenses, 50.0% were water related, 23.1% were hazardous material related, 15.4% were wildlife related, and 11.5% were air related.
- 61.7% of all organizational cases involved at least one related individual who was separately indicted in addition to the organization.

Types of Fraud Offenses<sup>3</sup>





— **Organizational Offenders** —

**Chapter Eight Application**

- 41.5% of the 94 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 39 organizations sentenced under §§8C2.1-8C2.9:
  - ◆ 16 organizations (41.0%) had fewer than ten employees.
  - ◆ None had a prior criminal or administrative violation.
  - ◆ None had violated a judicial order or condition.
  - ◆ Three organizations (7.7%) obstructed justice.
  - ◆ None had an effective compliance and ethics program.
  - ◆ One organization (2.7%) received an adjustment for reporting the offense to appropriate governmental authorities, cooperating with the investigation, and accepting responsibility for the offense.
  - ◆ 17 organizations (43.6%) received an adjustment for cooperating with the investigation and accepting responsibility for the offense.
  - ◆ 13 organizations (33.3%) received an adjustment for acceptance of responsibility for the offense but did not receive an adjustment for cooperating in the investigation.

**Punishment**

- 93.6% of all organizational offenders pled guilty.
- 70.2% were sentenced to probation.
- 29.8% were ordered to develop a compliance and ethics program, usually as a condition of probation.
- 85.1% were sentenced to pay a fine, restitution, or both:
  - ◆ 69.2% of these organizations had a fine imposed.
    - ◇ The median fine amount ordered was \$400,000 and the average fine amount was \$6,588,546.
  - ◆ 28.7% were ordered to pay restitution.
    - ◇ The median restitution amount ordered was \$284,546 and the average restitution amount was \$7,740,932.
  - ◆ 12.8% were ordered to forfeit money.
    - ◇ The median forfeiture amount was \$1,282,848 and the average forfeiture amount of \$6,695,192.

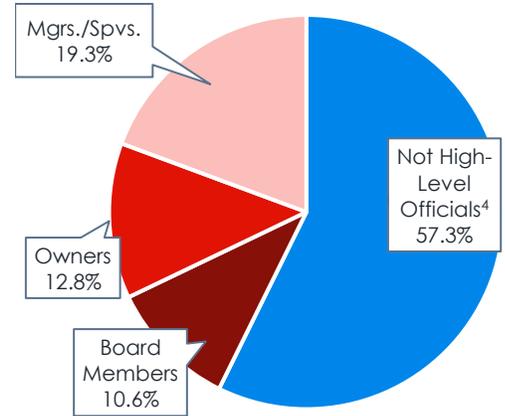
<sup>1</sup> Only organizations convicted of a federal offense are included in Commission data. The Commission does not collect data on other dispositions, including non-prosecution or deferred prosecution agreements.

<sup>2</sup> The "Other" primary offense category includes: drugs (4), bribery (3), money laundering (3), import/export violations (2), racketeering (2), tax fraud (2), and administration of justice (1).

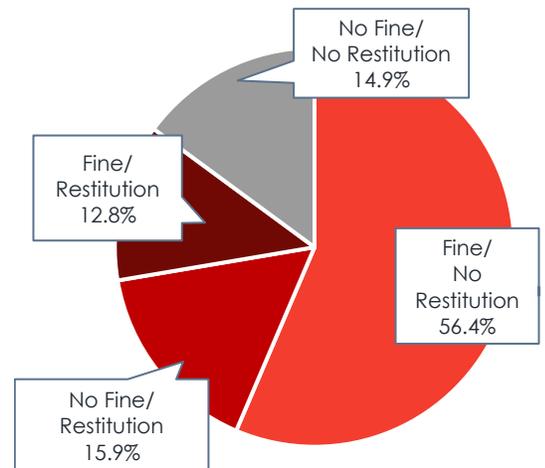
<sup>3</sup> Due to rounding, percentages will not add up to 100.0%.

<sup>4</sup> "Not High-Level Officials" could include individuals from related cases who were not employed by the organizational offender.

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



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



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

