



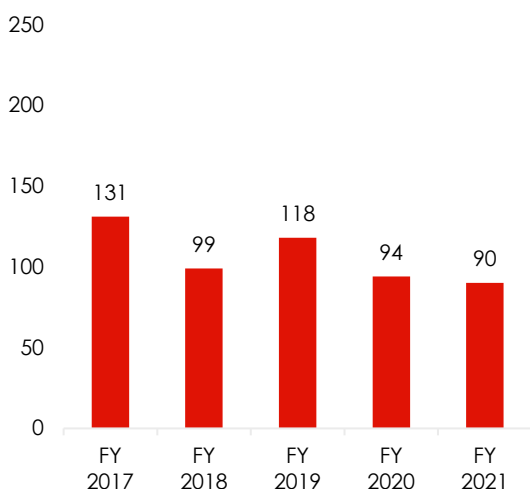
# Quick Facts

— Organizational Offenders —

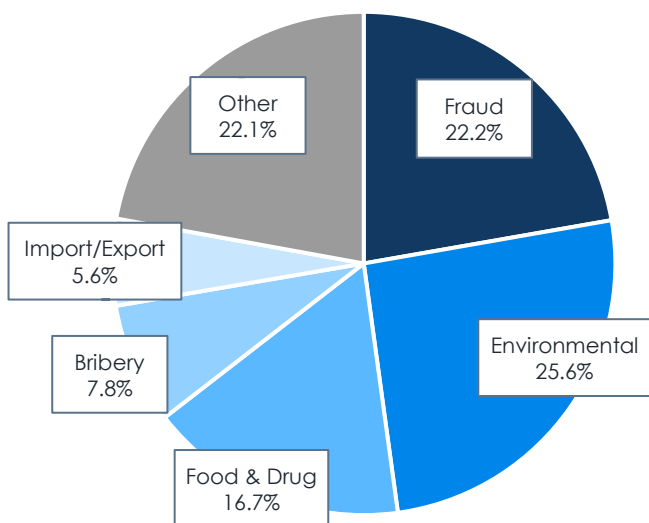
## Fiscal Year 2021

- ▶ IN FY 2021, 90 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<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.

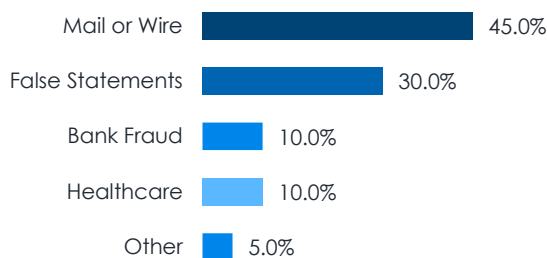
## Organizational Offender Characteristics

- 82.2% of organizational offenders were located within the United States.
- Most organizations were closely-held or private corporations (45.2%) or limited liability companies (40.5%).
- 7.1% were publicly-traded corporations.
- 85.5% employed fewer than 50 workers; 8.1% employed 1,000 employees or more.
- 13.4% 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 (25.6%), fraud (22.2%), food and drug (16.7%), and bribery (7.8%) crimes.
- Of the types of environmental offenses, 52.2% were water related, 26.1% were wildlife related, 17.4% were air related, and 4.3% were hazardous material related.
- 47.8% of all organizational cases involved at least one related individual who was separately indicted in addition to the organization.

Types of Fraud Offenses



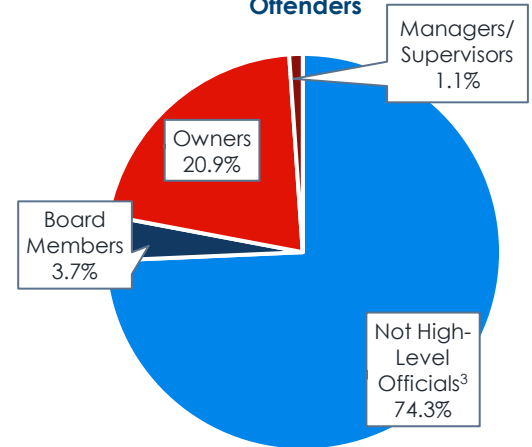


— **Organizational Offenders** —

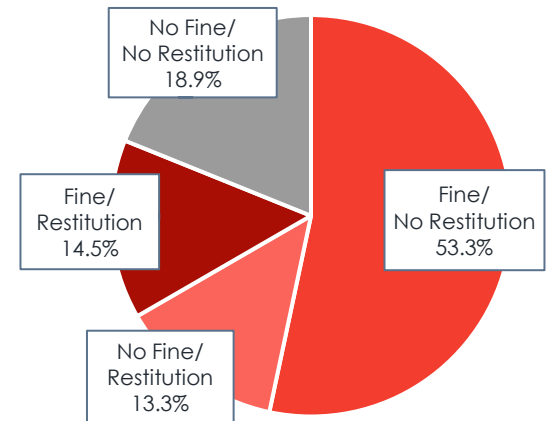
**Chapter Eight Application**

- 35.6% of the 90 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 32 organizations sentenced under §§8C2.1-8C2.9:
  - ◆ 11 organizations (34.4%) had at least ten employees and had involvement in or were tolerant of the offense.
  - ◆ One organization had a prior criminal or administrative violation.
  - ◆ None violated a judicial order or condition.
  - ◆ None obstructed justice.
  - ◆ None had an effective compliance and ethics program.
  - ◆ Two organizations (6.3%) received an adjustment for reporting the offense to appropriate governmental authorities, cooperating with the investigation, and accepting responsibility for the offense.
  - ◆ 17 organizations (53.1%) received an adjustment for cooperating with the investigation and accepting responsibility for the offense.
  - ◆ 11 organizations (34.4%) received an adjustment for acceptance of responsibility for the offense but did not receive an adjustment for cooperating in the investigation.

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



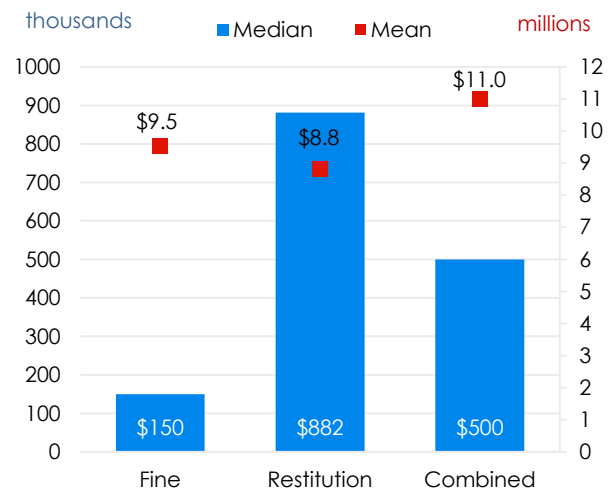
**Types of Monetary Sentences Imposed on Organizational Offenders**



**Punishment**

- 95.6% of all organizational offenders pled guilty.
- 64.4% were sentenced to probation.
- 16.7% were ordered to develop a compliance and ethics program, usually as a condition of probation.
- 81.1% were sentenced to pay a fine, restitution, or both.
- 67.8% had a fine imposed.
  - ◆ The median fine amount ordered was \$150,000 and the average fine amount was \$9,523,526.
- 27.8% were ordered to pay restitution.
  - ◆ The median restitution amount ordered was \$881,670 and the average restitution amount was \$8,824,397.
- 22.2% were ordered to forfeit money.
  - ◆ The median forfeiture amount was \$1,205,627 and the average forfeiture amount of \$13,616,538.

**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: antitrust/price fixing (4), immigration (3), larceny/theft/embezzlement (3), money laundering (3), copyright/trademark infringement (2), drugs (2), firearms (1), obstruction of justice (1), and tax (1).

<sup>3</sup> "Not High-Level Officials" could include individuals from related cases who were not employed by the organizational offender.