

**“A Guide for Developing and Implementing a Corporate Compliance Program”
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Key Takeaways

- Developing and implementing an effective corporate compliance program is essential not only to detecting criminal conduct and other legal violations but to avoiding and/or minimizing the consequences of any criminal conduct that does occur.
- When evaluating a corporate compliance program, DOJ asks three questions: 1) Is the compliance program well-designed? 2) Is the program being applied earnestly and in good faith? 3) Does the compliance program work in practice?
- An organization’s corporate compliance program should be tailored to the particular risks faced by that organization, and those risks should be reevaluated periodically, especially if a violation occurs.
- The individuals with operational responsibility for the corporate compliance program should report at least once a year to high-level personnel and/or to the organization’s governing body.
- The organization must communicate the policies and procedures of its corporate compliance program to its employees, including providing periodic compliance trainings.
- The corporate compliance program should also put procedures in place to facilitate meaningful due diligence on third-party business partners and/or acquisition targets.
- The corporate compliance program should give employees avenues to report misconduct confidentially.
- The corporate compliance program should include disciplinary measures for those who violate its policies and measures for addressing any violations.
- An internal investigation, conducted by an independent third-party, may be necessary if a violation of corporate policies or legal standards is suspected.
- If a violation is detected during the internal investigation, the organization should consider self-reporting that violation to the Government.
- If an organization self-reports to the Government, it may qualify for reductions in the calculation of the U.S. Sentencing Guidelines, decreased fines and penalties, or non-prosecution.
- If an organization does not have a corporate compliance program and is prosecuted for criminal conduct, it will likely be placed on organizational probation, with the condition that a corporate compliance program be put in place, in addition to other penalties.