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RAVI ZACHARIAS INTERNATIONAL MINISTRY GUIDEPOST SOLUTIONS ASSESSMENT

August 3, 2021

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Executive Summary

Ravi Zacharias International Ministry (“RZIM”) engaged Guidepost Solutions LLC (“Guidepost”) in February 2021 to independently evaluate RZIM’s “structures, culture, policies, processes, finances, and practices, including the handling of any former abuse allegations” against RZIM’s founder and former leader, Ravi Zacharias.¹ RZIM’s leaders and its US based, International Board of Directors (the “Board of Directors”) decided to hire Guidepost to do this top-down evaluation after an investigation in 2020 by the law firm of Miller & Martin PLLC (Miller & Martin) into allegations of sexual misconduct by Zacharias unearthed significant credible evidence that Zacharias had sexually touched and propositioned numerous massage therapists whom he visited for massages.² When these allegations were initially publicized in September 2020, RZIM initially discounted them in a statement which was made public. But when confronted with the sobering results of this investigation, which were included in a February 2021 public report, RZIM correctly realized that its response to these 2020 allegations and its prior responses to other allegations of impropriety by Zacharias had been deficient and deeply flawed.

In particular, the confirmation of the allegations involving the massage therapists caused RZIM “to think very differently about the allegations Mrs. Lori Anne Thompson made against [Zacharias] in 2017.”³ In 2017, Lori Anne Thompson (“Thompson”), a married Canadian woman, alleged that after Zacharias had groomed her to be receptive to his advances, he engaged in an online sexual and emotional relationship with her, which included Zacharias soliciting and receiving nude photos from Thompson. Thompson threatened public disclosure and litigation against Zacharias unless he paid her \$5 million. In response, and with the support of the Board of Directors, Zacharias initiated a civil racketeering suit against Thompson and her husband in federal court. The case was ultimately settled without a trial, with the details of the settlement protected by a non-disclosure agreement (the “NDA”) that bound all parties.

¹ Sarah Davis (RZIM CEO), “An Update from RZIM” at 1 (Mar. 2021) (“Davis Update”) (available at https://s3-us-west-2.amazonaws.com/rzimmedia.rzim.org/assets/downloads/Update_March_FINAL.pdf); see also RZIM International Board of Directors, “Open Letter from the International Board of Directors of RZIM on the Investigation of Ravi Zacharias” (Feb. 2021) (“BOD Open Letter”) (available at <https://www.rzim.org/read/rzim-updates/board-statement>); Scope of Work for Guidepost Solutions LLC Pursuant to the Letter of Engagement with RZIM at 1 (Apr. 30, 2021) (“Scope of Work Letter”).

² See Miller & Martin PLLC, “Report of Independent Investigation into Sexual Misconduct of Ravi Zacharias” at 1, 4-7 (Feb. 9, 2021) (“Miller & Martin Report”) (available at <https://s3-us-west-2.amazonaws.com/rzimmedia.rzim.org/assets/downloads/Report-of-Investigation.pdf>). According to one confirmed account described in the M&M Report, Zacharias sexually assaulted a massage therapist as well.

³ BOD Open Letter.

In light of the Miller & Martin findings, RZIM engaged Guidepost to re-examine how RZIM responded to the allegations made by Thompson in 2017, as well as the ministry's response to any other abuse allegations involving Zacharias.⁴ On a much broader scale, RZIM asked Guidepost to assess the ministry's culture, as established by its leaders and experienced by its rank-and-file employees, and also to evaluate RZIM's policies and procedures, which impact and shape that culture. As part of these cultural and policy assessments, RZIM asked Guidepost to review its leaders' actions and communications, its corporate and organizational structures, and its financial controls and practices. Finally, RZIM directed Guidepost to establish confidential reporting avenues to allow and encourage additional survivors and witnesses to share information related to abuse or harassment by Zacharias or any other RZIM employee.

As set forth in detail in this report, we found that in assessing and responding to allegations against Zacharias made by Thompson and others, RZIM heavily and unjustifiably relied upon Zacharias's representations, many of which were discernibly dubious at the time and are even more doubtful today, in light of revelations that have emerged since 2020. RZIM leaders— some of whom were related to Zacharias — accepted his explanations, failed to drill down on contradictions and to pursue additional inquiry, and minimized the interest of individuals at RZIM who sought more information or expressed doubt about Zacharias's rationalizations.

In addition, RZIM's Executive Committee of its Board of Directors approved the use of almost \$1,000,000 of ministry money to pay for Zacharias's legal battle with Thompson, even to the point of paying for the tax liability on the money Zacharias used to settle the litigation with the Thompsons, thus ensuring that Zacharias himself did not pay a single penny, even though RZIM was not a party to the legal action. Zacharias and RZIM falsely represented to the public and the ministry itself that "no ministry funds were used" in the Thompson litigation. Indeed, even within the top levels of RZIM, certain members of the Board of Directors and senior RZIM leaders were unaware that the Executive Committee of the board had approved the use of ministry money to fight Zacharias's legal battle.

Ultimately, we believe that RZIM's leadership and cultural weaknesses stem from the devotion and loyalty to Zacharias shown by the ministry's leaders, directors, employees, and followers. RZIM leaders, directors, and employees consistently told us that in his role as the ministry's leader, Zacharias was personally loved and revered, especially by RZIM members in the United States and India and by its Board of Directors. Many of the individuals whom we interviewed have a different view

⁴ See BOD Open Letter ("Guidepost will investigate any new information that is brought forward, including allegations related to mishandling or enabling abuse or harassment. Guidepost will also review how accusations against Ravi were handled in 2017 (and all other relevant years).")

of Zacharias as a result of the revelations in the Miller & Martin Report. On the other hand, even now, many interviewees still expressed their fond affection for Zacharias, based on their personal interactions with him over many years, citing his gentle nature, his convincing manner, and his genuine care and concern for people. Regrettably, this blind affection led to individual and organizational blindness about the negative qualities of Zacharias's character and his harmful actions, which impacted the underlying credibility of RZIM as a whole.

The role of RZIM organizational leaders and the Board of Directors is to proactively recognize and confront risks to protect the organization. In this case, RZIM's senior leaders and its board members were unable to fulfill this role because their personal affection and admiration for Zacharias caused them to act out of loyalty to him rather than duty to the ministry – to protect him rather than RZIM and its followers, donors, personnel, and other supporters. RZIM's leaders and directors asserted to us that they did not know the truth about Zacharias's abusive and inappropriate conduct, and we have seen no evidence at this point to conclude otherwise. However, their veneration (bordering on devotion) for Zacharias and his family contributed to a culture that discouraged honest and open discussion of questions about Zacharias's conduct and valued loyalty to Zacharias above almost all else. The failure of RZIM leadership to communicate transparently and the succession of crises caused by Zacharias's personal and professional failings decimated the trust that RZIM staff had in its organizational leadership and its Board of Directors.

Looking to the future, we note our concern about RZIM's ability to move forward under its current leadership and board. Many of the current leaders and directors of RZIM are the same individuals who mishandled the ministry's response to allegations about Zacharias in the past. Regardless of the fact that current RZIM leadership based some past decisions on faulty information provided by Zacharias, they are nonetheless responsible for not pursuing truth in light of significant discrepancies in his statements. It will be difficult for the current RZIM leaders and the board to rebuild trust with the ministry's employees and members and to reestablish their credibility as leaders, because of their previous failings. In our view, this is the most significant obstacle that RZIM's leaders and directors must overcome if RZIM is to survive, as an apologetics ministry, a grant-making organization or in some other form.⁵

⁵ In March 2021, *Christianity Today* reported that RZIM intends to “remake itself as a grant-making charity.” Daniel Silliman, “RZIM Will No Longer Do Apologetics,” *Christianity Today* (Mar. 10, 2021) (available at <https://www.christianitytoday.com/news/2021/march/ravi-zacharias-rzim-name-change-abuse-victims-call.html>).

Scope of Engagement

Pursuant to a Letter of Engagement dated February 10, 2021, RZIM engaged Guidepost to perform certain research, investigative, and compliance services. The parameters of the services we have conducted pursuant to that Letter of Engagement are set forth in three primary documents: the February 2021 BOD Open Letter (the “BOD Open Letter”), the March 2021 Davis Update (the “Davis Update”), and the April 30, 2021 Scope of Work Letter (the “Scope of Work Letter”).

Both the BOD Open Letter and the Davis Update define the parameters of the services for which Guidepost was engaged in broad terms. First, in relevant part, the BOD Open Letter issued by RZIM’s Board of Directors states (with emphasis added):

We have engaged Guidepost Solutions, a management/compliance consulting firm, and are providing full disclosure to them to conduct a thorough evaluation of RZIM, including its structures, culture, policies, processes, finances, and practices. Guidepost was chosen for its independence, depth of skill and expertise, and emphasis on top-down and grassroots cultural reform. This assessment will contain three main components:

1. Survivor Care: Guidepost will provide confidential avenues for any survivors and witnesses, including any who have not yet come forward, to disclose information related to abuse or harassment at RZIM or by anyone employed by RZIM in the past. Survivors will also be encouraged to contact Rachael Denhollander for further assistance. In addition, anyone is invited to disclose any information relevant to the scope of the investigation, even if they have not directly experienced abuse or harassment. This will include the option for anonymous reporting, including witness statements. Guidepost will investigate any new information that is brought forward, including allegations related to mishandling or enabling abuse or harassment. Guidepost will also review how accusations against Ravi were handled in 2017 (and all other relevant years).
2. Cultural Assessment: Guidepost will perform a thorough assessment of the culture of RZIM related to abuse, harassment, whistleblowing, and disclosures. This will include assessing communications; tone of leadership; actions taken; knowledge-base of leadership and employees; and the impact of policies on RZIM’s culture.
3. Policy Assessment: Guidepost will perform a thorough review of RZIM’s policies related to abuse, harassment, and disclosure, and of overall organizational and corporate structures and their impact on abuse and harassment-related issues. In sobering recognition of the severity of what has occurred and the importance of policy

and cultural reform, we have asked Guidepost to examine any corrections that need to take place.⁶

Second, in relevant part, the Davis Update issued by RZIM CEO Sarah Davis (Zacharias's daughter) provides (with emphasis added):

As the Board stated in its previous letter, one of our key priorities at this time is to undergo a thorough and fully independent assessment from the management/compliance consulting firm Guidepost Solutions. We want to understand all areas of unhealth in our organization so that we can take that learning and do everything we can to prevent any kind of abuse in the future. Guidepost will be evaluating our structures, culture, policies, processes, finances, and practices, including the handling of any former abuse allegations⁷.

Guidepost began its assessment work in February 2021, guided by the broad language in the BOD Open Letter and the Davis Update quoted above, but the scope of our work has since evolved. When our engagement was announced in February 2021 and RZIM publicized our contact information, a large number of people reached out to us, including many current and former RZIM employees, leaders, and board members, as well as many other individuals who believed they had relevant information to impart. Davis and the RZIM Board of Directors told us to listen to and engage with as many of these people as possible. As a result, we interviewed more than 55 people, with some interviews lasting many hours and some individuals being interviewed multiple times.

Moreover, as our assessment progressed, we provided interim oral reports to the Executive Committee of the Board of Directors through its Special Advisor and RZIM leaders that recounted the work we had done and the work we believed still needed to be done. The directors and leaders responded to these interim reports by asking us to prioritize certain areas for review, which in turn impacted the scope of our assessment. Ultimately, after our assessment had been underway for several weeks, RZIM asked Guidepost to provide a letter detailing the scope of our work for the remainder of the engagement. The Scope of Work Letter describes the scope of the work to be completed by Guidepost as of that date.

Specifically, the Scope of Work Letter sets forth clear directives for any remaining Guidepost work, which included the continuation of the following efforts:

⁶ BOD Open Letter, "Restitution Plan and Organizational Reform" (emphasis added).

⁷ Davis Update at 1 (emphasis added).

- Operation of the tipline and response to tipline reports until the end of July 2021⁸;
- Investigation of allegations that RZIM refers to Guidepost;
- Interviews of all current and former RZIM personnel who request to be interviewed, as well as current and former personnel proactively contacted by Guidepost who consent to be interviewed;
- Review of RZIM's finances for the fiscal years 2017-2020, including particular transactions selected by Guidepost for review to assess the adequacy of internal controls, as well as the authorizations and expenditures of RZIM programs such as Touch of Hope ("TOH")⁹;
- Procurement of relevant documents by request to RZIM; and
- Review of RZIM's policies and procedures, including but not limited to those concerning abuse, harassment, conflict resolution, and complaints to HR.

The Scope of Work Letter also describes what Guidepost's report on its cultural and policy assessment of RZIM (including RZIM's handling of the Thompson allegations) should address, namely: the tone and transparency of leadership at RZIM, the effectiveness and clarity of RZIM communications, the equal application and sufficiency of policies and procedures for all personnel, the role of the RZIM board in the ministry's operations, and RZIM's financial controls.

Significantly, with respect to the nature and publication of any report prepared by Guidepost, the Scope of Work Letter states the following:

RZIM will decide as soon as is practical whether or not Guidepost will prepare a report for public dissemination. If RZIM does not choose to have a public report prepared, RZIM will instruct Guidepost as to the nature of any report to be submitted to RZIM, for example, a detailed written report, an oral briefing supplemented by summary materials, or another option as RZIM may design.¹⁰

In the event that RZIM asked Guidepost to provide a report for public dissemination, we required that RZIM release any such report in its entirety and without making any revisions to it as the organization had done with the Miller & Martin Report. Furthermore, if RZIM decided not to release our report in full, we asked the ministry to first obtain our consent before it selectively released only parts of our report. We sought these commitments to ensure that all discussions and observations made by Guidepost in the report remained in context and that any representations by RZIM about the contents

⁸ If a tip requires independent investigation, then that investigation would be separately scoped and budgeted in advance with RZIM.

⁹ RZIM's TOH program, which is ostensibly a scholarship initiative, is described in more detail in the Financial Assessment section, *infra*.

¹⁰ Scope of Work Letter at 2.

of our report were accurate. After considerable discussion, on or about June 1, 2021, RZIM informed us that it wanted a written report from Guidepost that was suitable for public release.

While the descriptions of our engagement and the scope of our inquiry are stated broadly in the BOD Open Letter, the Davis Update, and the Scope of Work Letter, it is important to point out those documents also include boundaries to our investigation. Significantly, while Guidepost has been asked to look at how RZIM responded to previous allegations against Zacharias, we are not examining the truth of those prior allegations. RZIM needs to identify and understand its own failures as an organization in responding to the accusations against Zacharias so it can do better in the future. RZIM's vow to improve is the core driver of its engagement of Guidepost. Investigating the truth of earlier allegations against Zacharias – whether he did what he has been accused by many of doing – will not further RZIM's efforts to become a better organization, one that responds swiftly and appropriately to alleged abuse and harassment in the future.

We recognize that for survivors of Zacharias's abuse and others who were impacted by his abominable actions, there is a value to determining the truth of what happened in the past and to having that truth publicly reported and recognized as truth. To some degree, this has already happened; Miller & Martin established the truth at the core of many of the allegations about the spas and Zacharias's abusive conduct toward massage therapists that arose in 2020. The veracity of other allegations against Zacharias, such as Lori Anne Thompson's accusations, have not been fully investigated and the full truth may never be revealed given the suppressive nature of the NDA and the disappearance or withholding of evidence such as Zacharias's old cellphones.

As set forth above, however, Guidepost was not engaged to evaluate or prove the truth of the Thompson allegations or any other prior allegations. We were hired to evaluate how RZIM responded to prior allegations against Zacharias and to assess how the ministry's culture, leadership, corporate governance, and policies and procedures shaped that response in the past and impacts its ability going forward to properly handle any allegations of abuse and harassment that might arise in the future. Accordingly, we focused not on the actions of Zacharias, but on the actions of RZIM's leadership and its directors, looking for common patterns of behavior and thinking to identify what the ministry needs to change.

Although Guidepost was empowered to investigate any new allegations of abuse or harassment or other misconduct by Zacharias, as stated in the BOD Open Letter, we did not receive any such allegations through our tipline or through any other reporting avenue or means of contact. No new survivors contacted us to report previously unknown abuse, misconduct, harassment, or other

inappropriate behavior by Zacharias. We *did* receive more information about previously known allegations against Zacharias. When relevant, we used this information to evaluate RZIM's response and to inform our cultural, governance, financial, and policy assessments.

In addition, through our research of publicly available materials, we unearthed additional allegations of past coercion and inappropriate behavior by Zacharias dating back to the 1970s, some of which were known to certain RZIM staff or board members. Due to the age of some of the allegations, we were unable to pursue these claims in any detailed way; however, when possible, we interviewed knowledgeable witnesses to understand those old allegations more fully and to gauge their relevance to our cultural assessment. Again, we did not investigate the truth of these prior allegations because that was outside the scope of our investigation.

Finally, we were made aware of numerous other questions and concerns by current and former RZIM employees¹¹ that did not fall within our above-described scope. For example, we were aware of concerns by individuals around the methods used by another third party in the process of Christian reconciliation meetings. Conducting a professional assessment of any method of counseling, however, was beyond both our expertise and scope of work. Others expressed concerns around the immigration status of massage therapists at the two spas where Zacharias frequented. We did not have the authority to access any records of those businesses. Additionally, many current and former RZIM employees described decisions made by RZIM management that they disagreed with or that caused them concern. In all these cases, we considered the information's relevance to our cultural assessment and at times it also informed our review of how RZIM handled previous allegations.

Methodology

We assembled our team and developed our methodology to best achieve the service mandates described above.

Team

Our Guidepost team was comprised of experts with a variety of professional skills, including investigations, compliance, accounting, and the prosecution of sex crimes offenders. We deliberately chose team members who come from diverse spiritual backgrounds, to ensure that we did not add

¹¹ Former employees are defined as employees that at the time of our interview were no longer part of the US based RZIM organization. Current employees are defined as employees who were affiliated with RZIM at the time of our interview. We concluded our interviews on June 18, 2021.

weight to one specific perspective of a Christian organization. Throughout the engagement, our team worked closely and collaboratively with Rachael Denhollander, a well-known trauma informed advocate for survivors of sexual abuse. RZIM retained Denhollander as a consultant to “educate and advise [the] Board and senior leadership in understanding trauma and abuse as well as best-standards practices” and also “to serve as a confidential liaison with survivors and to help guide the process of care, justice, and restitution for those who have been victimized.”¹² We value the experience and expertise of Denhollander as a trauma-informed victims’ advocate in the sexual abuse area, and relied upon her advice throughout the course of our engagement to make sure we were sensitized to any area of concern for victims.

Interviews

We tried to cast a broad net with respect to interviews to obtain as much relevant information as possible from individuals with direct and indirect knowledge of Zacharias and RZIM. As noted above, RZIM encouraged us to speak to every current and former RZIM employee who reached out to us. Through internal communications, including RZIM Town Hall meetings and emails, RZIM informed its current employees about the multiple ways to contact Guidepost. Guidepost members personally conducted a webcast with the greater RZIM audience in the early stages of our engagement to answer questions and explain our scope as we understood it then. Ultimately, we interviewed or received documented statements from every current or former RZIM employee, board member, or other impacted individual associated with the ministry who requested an interview on or before June 18, 2021.

In addition, we proactively reached out to current and former RZIM employees and others associated with the ministry, including some members of the Zacharias family and the Board of Directors, to seek interviews. Our decisions on who to proactively contact were informed by our own research and referrals by other interviewees. Many of those who we contacted agreed to talk to us, including former RZIM employees, former board members, and members of the media. While we reached out to Margaret (“Margie”) Zacharias to see if she would be available to speak to us, we never heard back.

To reach potential witnesses outside the ministry, RZIM posted the Davis Update, which listed the various reporting avenues, on the public-facing RZIM website. One of those reporting methods was the 24/7 tipline that Guidepost set up and monitored (as described in more detail below), through which we received information from current RZIM employees, former RZIM employees, donors, and people unaffiliated with RZIM. We reviewed every report submitted to this tipline and responded as required

¹² BOD Open Letter, “Restitution Plan and Organizational Reform.”

based on the nature of the reports themselves. All tipline matters were closed after review, meaning we had obtained all the information the reporting individual could provide and concluded any necessary follow-up with her or him. If additional information is provided which supports any tipline entry, we will re-open and conduct any logical follow up needed to resolve the report.

Many of our interviews were conducted online via video calls. This practice permitted us to see and speak with people in many parts of the globe, controlled travel expenses, and respected different levels of personal comfort concerning the COVID-19 pandemic. We did meet personally with a number of RZIM employees in Alpharetta, Georgia, including Davis and other current RZIM senior staff.

From the beginning of our investigation, it was obvious that RZIM employees, former and current, were eager to speak to us. Most of the interviews we conducted were initiated by people who contacted us. In the end, Guidepost interviewed more than 55 individuals, with some key witnesses sitting for multiple interviews lasting hours. In our interviews, we focused more on listening than on asking a long list of questions. We tailored our interview questions to the personal experience of each interviewee, but also included standard questions posed to everyone who had an affiliation with RZIM. Those standard inquiries sought information about the clarity and effectiveness of internal RZIM communications, the effectiveness of RZIM leadership during crisis periods and ordinary times, the work atmosphere at RZIM, the managerial response to individuals, the interviewee's interactions with Zacharias and his family, and the future of RZIM. In our interviews, we did our best to answer any questions regarding our scope and deliverables, based on what we knew at the time.

In our interviews, we advised the interviewees that they could remain completely anonymous if they so desired; we promised not to identify them by name in any written or oral report to RZIM or in any other forum or in any discussion outside our own Guidepost team. Based on our experience in investigating sensitive matters and given the subject matter of our investigation of RZIM, we believe that this anonymity pledge encouraged and facilitated candid, more substantive discussions with the interviewees. Certain senior RZIM personnel consented to be named in this report, including Davis, Michael Ramsden, Abdu Murray, Vince Vitale and the Chief Financial Officer (CFO)¹³. We did identify a few other members of RZIM staff for clarity relative to their specific roles or presence during a specific event. They included Ruth Malhotra, Amy Orr-Ewing, Nancy Gifford and the head of Human Resources¹⁴. The members of the Executive Committee of the Board of Directors did not consent for

¹³ The RZIM Chief Financial Officer asked not to be identified or have their name used in this report.

¹⁴ The RZIM Human Resources Director asked not to be identified or have their name used in this report.

us to use their names for this report. Accordingly, throughout this report, some individuals who provided us with information are identified by name, while others are not named and are only described by role.

Documents

We requested and received a voluminous number of documents and videos from RZIM and its Board of Directors, including financial records, policies and procedures, board materials, email communications, public statements, videos of meetings and other documents relating to RZIM's inner workings. The materials we reviewed are described in more detail in the Cultural, Financial, and Policies and Procedures sections below. RZIM provided most of the documents we requested but declined to produce certain financial records such as law firm invoices relative to the payment of legal fees of Zacharias due to concerns relative to legal privilege, as discussed in more detail later. Some documents such as board meeting minutes were also redacted for legal privilege, but a privileged log was also provided. We also received documents and communications up to the final day of this report after requesting them over the course of months making us uncertain that we actually received all the pertinent records.

In addition, in the course of our interviews, many people provided us with copies of emails, letters, and other personal records to complement their statements. For example, from various sources – usually the author – we received copies of public and private letters from current and former RZIM staff expressing strong concerns (very strong, at times) about RZIM's management and leadership in the United States and elsewhere.¹⁵ Consistent with the scope of our assessment (as described above), we did not attempt to investigate any allegations made in those letters or to determine if any were true or false. Instead, we considered what those letters reflected about the culture of RZIM, patterns of behavior at RZIM, and the conduct of its leaders in responding to allegations against Zacharias. In some situations, the letters also provided leads, pointing us to other relevant witnesses.

With RZIM's approval, we also had access to some materials that Miller & Martin gathered during its investigation; we appreciate the law firm's provision of these materials and the assistance it provided to us in connection with our inquiry.

¹⁵ For example, Ruth Malhotra, a former RZIM spokesperson, wrote a 26-page letter to the RZIM Board of Directors in February 2021 that contained numerous allegations about the actions of Zacharias, his family, other senior RZIM leaders, and the board in responding to the claims against Zacharias. See Ruth Malhotra, Letter to the Chairman of the RZIM Board of Directors (Feb. 6, 2021). Malhotra's letter was publicly disclosed online in mid-February 2021. See, e.g., David French, "You Are One Step Away From Complete and Total Insanity," *The Dispatch* (Feb. 14, 2021).

Online Research

In the course of our engagement, we reviewed publicly-available online records and articles published online by various media outlets, including Christian media websites (such as *Christianity Today* and the *Christian Post*), blogs written by individuals devoted to investigating Zacharias and other religious figures (such as *RaviWatch*), and the traditional media (such as *The Washington Post*).

Survivor Care: Establishment of Confidential Reporting Line for Victims

At the outset of our engagement by RZIM, our first priority was ensuring that any victims of Zacharias, known or unknown, had the opportunity to safely tell their stories and have their voices heard if they so desired. As noted above, RZIM expressly authorized Guidepost to investigate any new allegations brought to us relating to any claim of sexual abuse by Zacharias.

Accordingly, Guidepost established a 24/7 tipline designed and operated by Lighthouse Services, LLC, an independent company specializing in such operations. This tipline was available through a link on the home page of the RZIM website (www.rzim.org) from the beginning of this engagement in February 2021 through the issuance of this report. The tipline allowed individuals to file reports via a secure website or by email or telephone, in multiple languages including English, French and Spanish. Later and as requested by RZIM, the languages of Chinese, Filipino, Thai, Hindi, Malay, or Indonesian were also added. When submitting a report in any form, an individual could remain anonymous or provide a name.

We anticipated that we would receive additional allegations through this tipline about sexual impropriety by Zacharias. We only received one such claim, which lacked sufficient detail for further investigation. Specifically, an anonymous complaint submitted online alleged that Zacharias engaged in inappropriate behavior at two schools in Bangalore, India between 2011 and 2012. The complaint was not specific about Zacharias's conduct and did not identify any victims. We attempted without success to contact the reporting party via the tipline website to obtain more information. In addition, Guidepost contacted the two schools in Bangalore to inquire if they had heard of any allegation against Zacharias dating back to 2011 and 2012, but we have received no response as of the date of the submission of this report.

In addition to the tipline, Guidepost set up a secure email address for RZIM staff and others to contact us directly with any concerns about the organization. RZIM publicized this email address to its employees in internal communications and encouraged them to reach out directly to us. Through this

email address, a number of both current and former staff contacted us about their concerns. We subsequently interviewed many of these individuals, which helped to inform our assessment of RZIM's culture.

As of July 1, 2021, 45 contacts were made to the tipline: 24 by email, six by phone, and 15 via the website. Of these 45 tipline contacts, 28 individuals either submitted their report anonymously or requested anonymity, while 17 reporters provided their names. In addition to the 45 contacts reported via the tipline, one person contacted us through Guidepost's own website (rather than the tipline website), and four people contacted us through Guidepost email addresses. We entered all these other contacts into the tipline as well, giving us a total of 50 total entries in the tipline system for tracking purposes. None of the reported submissions required any urgent, time-sensitive response or any follow-up investigation beyond an interview with the reporting party, nor were there any claims seeking compensation of any kind.

The 50 total contacts can be sorted into broad categories on the basis of the most prominent comment in each, namely:

- Complaints about the general management of RZIM – 19 reports;
- Expressions of support for Zacharias and/or RZIM, including requests for forgiveness of Zacharias – 16 reports (all to the tipline);
- Complaints about Zacharias or another member of the Zacharias family – 4 reports;
- Expressions of concern for the impact of the allegations against Zacharias on his followers and RZIM – 4 reports;
- Expressions of concern about the future of RZIM or some aspect of it – 4 reports; and
- Miscellaneous other topics, including unclear allegations – 3 reports.

These foregoing numbers make clear, one-third of the submissions to the tipline established to provide a safe method to submit allegations of abuse and misconduct involving Zacharias actually expressed support or requested forgiveness for Zacharias.

Although the tipline did not receive new substantiated allegations of abusive behavior, it still proved quite useful to the cultural assessment and other aspects of the project. Nearly half (23) of the 50 entries expressed dissatisfaction with Zacharias, another family member, and the management of RZIM. Indeed, complaints about RZIM management was the largest single category of submissions, as noted above. We interviewed every person who submitted such a complaint and provided her or his name. We note the comments made by anonymous reporters closely paralleled those made by people we interviewed, which provided the anonymous comments with a measure of credibility.

RZIM Response to Allegations Made Against Ravi Zacharias

As noted in the Scope of Engagement and Investigation discussion above, RZIM asked Guidepost to examine how its leaders and Board of Directors responded to allegations against Zacharias, specifically citing the claims made by Thompson in 2017 but also empowering us to look at how RZIM handled any other older abuse or harassment accusations that we might discover in our interviews. We begin with a factual discussion of prior allegations and RZIM's responses to them because this information is the foundation of our assessment of the ministry's culture, policies and procedures, and financial controls.

In the course of our interviews, and through our review of documents, we learned many specific details about Zacharias's alleged conduct. Generally, in the factual discussion that follows, we chose to describe the events that allegedly occurred only to the extent necessary to give context to the responses of RZIM leadership, rather than to recount every specific detail that we were told.

In the discussion below, the terms "RZIM senior leadership" or "RZIM leaders" refer to Zacharias and, where appropriate, Davis in her position as Executive Director and CEO as well as other RZIM organization management who have agreed to be identified for this report, including Abdu Murray, Michael Ramsden, Vince Vitale and in specific instances the CFO. We do not however, identify Board of Director members as they have specifically asked that their names not be provided in this report and they have yet to identify themselves intentionally and publicly. The terms "RZIM employees" refer to current or former RZIM employees generally. RZIM's corporate structure is discussed in our Cultural Assessment discussion later in this report.

General Background of Zacharias and RZIM

Zacharias founded RZIM, an evangelical apologetics ministry, in 1984 and led the ministry until his death in May 2020. Apologetics is an intellectual form of Christian theology and is based in the logical defense of Christianity through rational, intellectual arguments rather than direct appeals to believe. Zacharias's unique approach to apologetics included "Q-and-A"-style evangelism to show how Christianity answered life's greatest existential questions. He published and edited more than 25 books and was a frequent international speaker. RZIM promoted Zacharias's teachings using numerous platforms, including radio, TV, books, websites, and podcasts.

RZIM is headquartered in Alpharetta, Georgia. Until late 2020, RZIM had 17 legal entities including its US based headquarters and 250 employees around the world.¹⁶ RZIM also included a “humanitarian arm” (Wellspring International) (“WSI”), a teaching and training institute (formerly known as the Zacharias Institute) and other specially-focused departments and global entities.

In addition to Zacharias and his daughter Sarah Davis, other members of the Zacharias family held leadership positions at RZIM and at RZIM-affiliated organizations, including but not limited to Margie Zacharias (Zacharias’s wife of 40+ years) who served as Vice President and Chief Culture Officer of RZIM until early February 2021. She was also a member of the Board of Directors.

2008-2011: Allegations About Inappropriate Conduct by Zacharias in Singapore

Guidepost was made aware of a 2008 allegation that Zacharias had been seen in Singapore holding the hand of a young woman (who was not his wife). To investigate this claim, Guidepost interviewed L.T. Jeyachandran—RZIM’s Singapore Director in 2008—about his personal knowledge of the incident.

According to Jeyachandran, a good friend told Jeyachandran that another person with whom that friend is friends saw Zacharias holding hands with a Chinese woman in Singapore. Approximately three months after Jeyachandran heard this allegation, Zacharias was in Singapore. When sharing breakfast one day, Jeyachandran told Zacharias what he had heard. According to Jeyachandran, Zacharias looked “very disturbed” after he heard this allegation and he told Jeyachandran, “Thank you for protecting me.” Jeyachandran said that Zacharias was not mad at him for mentioning the allegation. Jeyachandran did not press the issue any further at the time.

In 2011, however, Jeyachandran approached the then-Director of RZIM India, S.D. Ruben; Jeyachandran wanted to broach the Singapore hand-holding allegation with Zacharias again and thought it would be useful if he did so jointly with Ruben. Ruben then spoke to Zacharias on his own about Jeyachandran’s concerns. Zacharias became very upset with Jeyachandran and accused him of spreading rumors about Zacharias in India. Ruben further advised Jeyachandran that Zacharias wanted Jeyachandran to be fired as a result.

¹⁶ The Zacharias massage therapist scandal prompted the United Kingdom (“UK”) and Latin American branches of RZIM to sever its connection with the ministry and caused the Canadian outpost to close entirely. Other RZIM global entities have been impacted as well.

Jeyachandran subsequently informed the RZIM Singapore Board of Directors about the allegation and Zacharias's response. At that time (2011), RZIM Singapore was listed in public records as a "Company Limited by Guarantee," which meant that the board existed for compliance purposes only and had little governing authority. Nevertheless, Jeyachandran stated that the Singapore Board of Directors was supportive of him. Guidepost interviewed two former RZIM Singapore board members who recalled being advised of the allegation by Jeyachandran. Due to the sensitive nature of the claim, they felt at the time that they could not ignore it and in spite of their limited authority, members of the Singapore Board of Directors and Jeyachandran met with Zacharias to discuss the allegation.

During this meeting, Zacharias proffered his explanation of what had actually happened. Zacharias said that he had been experiencing back pain at the time and as a result of this pain, he required the young woman with whom he had been seen to physically assist him across the street. Based on the Singapore Board of Directors' personal knowledge of Zacharias, his reputation, and the well-known fact that Zacharias had suffered from chronic back pain for years, the Singapore Board of Directors found this explanation to be plausible. Neither Jeyachandran nor any member of the Singapore Board of Directors ever advised any member of the US based International Board of Directors about the allegation.

During our inquiry into this matter, other individuals told us about rumors that Jeyachandran was forced to leave RZIM early. He denied this to us, saying that he retired as planned in 2012. The Singapore board members who we interviewed told us the same thing.

We also learned about what may be a separate allegation about Zacharias's conduct in Singapore. We interviewed a member of the Executive Committee of the Board of Directors, who told us that Zacharias summoned him to Singapore in 2011. Zacharias was concerned because he had been seen leaving a massage therapist office and there was an inference that he had done something inappropriate. Zacharias told the board member that he had visited the massage studio because it was essential for his back issues, and then separately added that he had never viewed pornography (which seemed odd to the board member).

The board member told us that he/she declined several times to travel to Singapore, but Zacharias insisted that this particular board member was the only person who could handle the issue with the appropriate level of discretion; ultimately, the board member reluctantly traveled to Singapore for a quick meeting with Zacharias and two other men he could not describe further to discuss the issue. The board member's impression was that the gentlemen in the meeting were satisfied with Zacharias's explanation of what seemed to him like "fifth-hand rumors" anyway. The board member returned to

America and did not communicate anything about the allegations or the meeting in Singapore to anyone else on the Board of Directors.

Guidepost cannot conclusively determine whether the incident described by Jeyachandran and the incident described by the RZIM board member are the same event or two separate events, but they appear to be two separate events. Neither Jeyachandran nor the two RZIM Singapore board members who we interviewed recall discussing any allegation involving Zacharias with the US based Board of Directors member. Moreover, the incident described by the Board of Directors member (Zacharias seen coming out of a massage studio) is different from the incident reported by Jeyachandran (Zacharias seen holding hands with a young woman).

2009: Allegations of Retaliatory Conduct by Zacharias

In the course of our investigation, we interviewed Michael Ramsden, the current President of RZIM, who told us about a conflict that he had with Zacharias in 2009 about a massage therapist. In January 2009, Zacharias called Ramsden, who was RZIM's European Director at the time, to inform him that Zacharias had found a person who could effectively treat his back pain through massage therapy. Zacharias told Ramsden that this massage therapist would be traveling with him, but he did not tell Ramsden at the time that the therapist was a woman. The following day, a member of the Zacharias family contacted Ramsden and told him that he/she was uncomfortable with the appearance of Zacharias traveling with a female massage therapist. The family member asked Ramsden to intervene and discuss the issue directly with Zacharias. Shortly thereafter, Ramsden sent a letter to Zacharias in which he explained that the appearance of Zacharias traveling with the female massage therapist could make Zacharias vulnerable to attacks on his credibility. Three days after Zacharias received this letter, the same Zacharias family member contacted Ramsden and reported that Zacharias was very angry about the letter. At some point, both Zacharias and his family member told Ramsden that the arrangements with the traveling massage therapist had been approved by the Board of Directors.

In the summer of 2009, Ramsden and Zacharias attended a mutual speaking engagement, and Zacharias verbally rebuked Ramsden for confronting him about the traveling massage therapist. By this time, a Zacharias family member was traveling more with Zacharias, so he was not alone with the massage therapist as often. Davis, Zacharias's daughter and the current CEO of RZIM, told us in interviews that the family had voiced concern about Zacharias traveling with the therapist. She said that the family did not suspect that there was anything untoward about the relationship between

Zacharias and the massage therapist; rather, they were concerned about the appearance of the relationship and its potential impact on the ministry.¹⁷

Later in 2009, Ramsden and Zacharias had another confrontation about the traveling massage therapist. Specifically, at an event during RZIM's Founders' Weekend (an annual meeting of donors and board members), Ramsden was approached by Zacharias's traveling massage therapist. She apparently offered similar massage therapy services to him in a short conversation. After this conversation, Ramsden's wife immediately approached Ramsden to express her concern, telling him that she had a bad feeling about the therapist. After this Founders' Weekend event, Zacharias and Ramsden had a heated telephone conversation in which Ramsden again pressed his concerns about the female massage therapist traveling with Zacharias. Ramsden told Zacharias about his conversation with the massage therapist at the recent event, including the therapist's offer to provide similar services to him. Ramsden told us that Zacharias became upset and the call ended abruptly. Approximately an hour later, Zacharias recontacted Ramsden after apparently speaking with his massage therapist; he told Ramsden that the therapist had no idea who Ramsden was and that they had never conversed. This conversation between Zacharias and Ramsden became more and more heated. According to Ramsden, this conflict irrevocably impacted the relationship between Ramsden and Zacharias. Even though the tension between them eased as the years passed, their relationship never fully recovered. Eventually, in 2019, Zacharias agreed to the promotion of Ramsden as President of RZIM.

The foregoing events were described to us generally several times by RZIM staff who typically used some variation of the phrase "sent to Siberia" when describing what happened to Ramsden after he confronted Zacharias. Many RZIM employees expressed concerns to us about retaliation if they spoke up or disagreed with any action taken by Zacharias, his family, or RZIM leadership. They repeatedly used the story of Ramsden's exclusion from Zacharias's good graces as an example of what happens at RZIM if you take on Zacharias or a member of the Zacharias family – you may be "sent to Siberia."

¹⁷ We were told that many others at RZIM were aware of Zacharias's traveling arrangement with the massage therapist, although many members of the RZIM staff and the Board of Directors claimed they were unaware of the traveling massage therapist until the revelations in the M&M Report.

2015-2016: Allegations About Zacharias's Academic Credentials

In 2015 and 2016, Steve Baughman, a blogger who spent years investigating Zacharias and posting articles about his findings on his “*RaviWatch*” website,¹⁸ questioned the accuracy of Zacharias's description of his academic credentials, including his use of certain academic titles. Specifically, Baughman noted that Zacharias frequently used the title of “Doctor,” despite never having earned a Ph.D. degree from any institution of higher education (Zacharias had only been awarded several honorary doctorate degrees).¹⁹ Zacharias was described as “Dr. Zacharias” in publications and at speaking engagements and other public events without any disclosure that his doctorates were honorary. In addition, Baughman listed numerous statements by Zacharias claiming to hold certain academic positions at Oxford and Cambridge Universities in the UK (such as professor, scholar, and fellow), alleged that these statements were false, and provided evidence to support his allegations.²⁰

These claims cast doubt on Zacharias's credibility and integrity. Because his identity was so completely interwoven with RZIM, the ministry's credibility and integrity were called into question as well. While these claims were more of an annoyance to the RZIM US team, they presented a much more significant issue for the RZIM UK team, especially for those affiliated with the Oxford Center for Christian Apologetics (OCCA), a study center operated by the Zacharias Trust in Oxford, England. Much of the discussion on this matter in the UK centered on not only the credibility of Zacharias personally, but also on the impact to the ministry and its academic integrity at OCCA.

Ultimately, in response to the criticism, RZIM updated and clarified Zacharias's professional biography. Nevertheless, some publishers continued to use outdated biographies that included dated credentials, leading to enduring confusion about Zacharias's educational bona fides.

RZIM employees had a mixed response to the allegations about Zacharias's inflated and misleading credentials. Many RZIM-affiliated people with whom we spoke claimed that Baughman was not always accurate in his reporting, and therefore they discredited anything he said. Many of the RZIM UK team members who we interviewed felt that RZIM was slow to address Baughman's contentions and when

¹⁸ See Steve Baughman, *RaviWatch: Investigating the false claims of evangelist Ravi Zacharias* (available at www.raviwatch.com). Baughman describes himself as “a part-time lawyer, part-time touring and teaching musician, part-time philosophy student, and full-time dilettante” and as “a religious skeptic.” *Id.*, “About Me.”

¹⁹ *Id.*, “Fishy Claims.”

²⁰ See *id.* Baughman also alleged that Zacharias made false statements about his Cambridge education and his professional accomplishments.

the ministry did react, its response was too gradual, which caused even more damage to the ministry's credibility.

2017: Allegations Made by Lori Anne Thompson and Subsequent Litigation

The Thompsons' Demand and Zacharias's Responsive Litigation

On August 3, 2017, Zacharias filed a federal civil lawsuit against Thompson and her husband, alleging that the couple engaged in a scheme to extort Zacharias by manufacturing a fictitious online relationship between Zacharias and Lori Anne Thompson that featured electronic communications containing sexually-explicit language and photographs.²¹ Among other legal causes of action, Zacharias alleged that the Thompsons' conduct violated federal and state civil racketeering laws.²² Attached as an exhibit to Zacharias's complaint was an April 27, 2017 letter from an attorney representing the Thompsons to Zacharias (the "Demand Letter"). This letter alleged that Zacharias had gained Thompson's trust through a months-long grooming process, which culminated in sexually-explicit online conversations between Zacharias and Thompson and nude photographs sent by Thompson to Zacharias.²³ In this letter, Thompson and her husband demanded \$5 million from Zacharias in exchange for a release of claims against Zacharias and RZIM.²⁴

The account that follows details how RZIM responded to the Demand Letter and the lawsuit filed by Zacharias, both internally and publicly. We gathered the pertinent facts through our interviews with current and former RZIM employees and leaders and our review of available relevant documents. We did not, however, speak to the Thompsons on this issue as our focus was specific to how RZIM and its Board of Directors acted in response to the litigation.

After receiving the Demand Letter, Zacharias immediately advised the Vice Chairman of the Executive Committee of the Board of Directors (the "EC Vice Chairman") of the Thompsons' demand. Specifically, Zacharias texted the EC Vice Chairman and asked him to meet Zacharias for coffee; they were both staying at the same hotel while attending a conference in Florida at which Zacharias was presenting the keynote address. The EC Vice Chairman stated when they met for coffee at the hotel, he questioned Zacharias about the Demand Letter's allegations. Zacharias then asked the EC Vice Chairman if he would loan Zacharias the money to pay the \$5 million demand, and the EC Vice

²¹ See *Zacharias v. Bradley Thompson and Lori Anne Thompson*, No. 17-cv-02885-LMM (N.D. Ga. Aug. 3, 2017), Complaint ¶¶ 1-2.

²² See *id.* ¶¶ 91-124.

²³ See *id.*, Exh. 1 at 1.

²⁴ See *id.* at 2.

Chairman declined. After this conversation with Zacharias, the EC Vice Chairman contacted two other members of the Executive Committee and discussed the matter. Shortly thereafter, the entire Executive Committee was informed about the Demand Letter and the entire Board of Directors was told about the Demand Letter during the next in-person board meeting.

The Executive Committee demonstrated their support of Zacharias in a May 1, 2017, resolution, which reads:

The Executive Committee of Ravi Zacharias International Ministry hereby resolves that all payments made to legal counsel and related parties pertaining to the legal matter involving Ravi Zacharias in his exclusive role as Founder, Chairman, CEO and President of the Ministry are to be borne by the Ministry.

This resolution is established by virtue of the fully integrated nature of the individual – Ravi Zacharias – and the Ministry he founded which bears his name. Furthermore, the demand delivered to Ravi in April 2017 was explicit in its threats to damage the Ministry and its relationship to its core stakeholders, including donors and its Board of Directors.²⁵

In other words, in this resolution, the Executive Committee pledged to use RZIM money to defend Zacharias in “the legal matter” relating to the Thompsons’ demand because Zacharias the individual was indistinguishable from RZIM the ministry and, therefore, anything that damaged Zacharias would damage the ministry as well. Executive Committee members told us that they had no doubt that the Thompsons were extorting Zacharias based both on the language of the Demand Letter and Zacharias’s own explanations, as relayed by the EC Vice Chairman to the Executive Committee. The Executive Committee members supported Zacharias and believed in his innocence, as demonstrated by the fact that this resolution quoted above was issued just a few days after Zacharias received the Demand Letter.

With respect to Zacharias’s defense against the Thompsons’ allegations, the Chairman of the Governance Committee (the “GC”) of the Board of Directors (the “GC Chairman”) who also served as a member of the Executive Committee, facilitated an introduction between Zacharias and Brian Kelly, an attorney at Nixon Peabody (a law firm with which the GC Chairman had a preexisting relationship). According to an Executive Committee member and other senior leaders of RZIM, a RZIM donor apparently offered to pay for the legal fees that Zacharias would incur as a result of the litigation (as discussed in more detail below).

²⁵ RZIM Executive Committee Resolution, dated May 1, 2017.

While the Board of Directors was aware of the allegations presented in the Demand Letter as early as May 2017, neither RZIM senior leadership nor the Zacharias family knew about these claims. According to Davis, the family first learned of the Thompsons' allegations and the Demand Letter at a family dinner in June or July 2017 when Zacharias told them about the Demand Letter and described the "extortion" by the Thompsons. Davis served as RZIM's Executive Director at the time, which involved overseeing everyday business decisions. Nonetheless, she told us that she was not included in meetings between her father and the Executive Committee relating to the Demand Letter and subsequent litigation.

In July 2017, at an event at a Christian resort and conference center, RZIM donors, board members, and some senior staff learned that Zacharias intended to pursue a lawsuit against the Thompsons for extortion and other charges. As noted above, Zacharias subsequently filed his complaint against the Thompsons on August 3, 2017. In meetings held in August 2017, RZIM employees were advised of the pending litigation. According to many RZIM-affiliated individuals whom we interviewed, while the charges included in the litigation seemed extreme, the language of the Demand Letter did suggest that Zacharias had been subject to extortion by the Thompsons. Because those who worked at RZIM personally trusted Zacharias with unquestioned loyalty, his denials of any wrongdoing in the Thompson matter were easy to accept. Additionally, although Zacharias was the founder and then-CEO, President, and Chairman of the Board of the ministry – and the Board had pledged ministry money to defend him, given the complete overlap between Zacharias and RZIM (although this decision was not known to the RZIM rank-and-file at the time) – the litigation was depicted to most RZIM staff as a matter personal to Zacharias rather than an issue on which the organization was seriously engaged.

Throughout 2017 and continuing into early 2018, RZIM repeatedly wired funds to the law firm representing Zacharias in his federal lawsuit against the Thompsons to cover Zacharias's legal expenses. As part of our financial assessment, Guidepost's accounting expert reviewed RZIM's general ledger and accounts payable subsidiary ledger for the years 2017 and 2018. These records disclosed payments to various law firms, including Nixon Peabody LLP, the firm representing Zacharias in the Thompson matter. We requested copies of invoices for legal expenses that RZIM incurred in 2017 and 2018 but were told that the invoices of Nixon Peabody LLP and those of other law firms were maintained in a confidential file by the finance department and were unavailable for review due to privilege issues.²⁶ Instead, RZIM provided copies of emails between RZIM finance personnel and the GC Chairman that relayed instructions on remitting payment to Nixon Peabody LLP.

²⁶ RZIM did not feel comfortable with providing the legal invoices regardless of the fact they paid them based on the privilege that existed between Zacharias and Nixon Peabody.

Those emails revealed that the GC Chairman served as the liaison between Zacharias's attorneys and RZIM's CFO. As Zacharias incurred legal fees, Nixon Peabody would periodically send a formal invoice to the GC Chairman, who would in turn provide the invoice to the CFO for payment. RZIM finance personnel told us that they did not read or approve the Nixon Peabody legal bills, which was a departure from the usual procedure. Instead, the GC Chairman approved the invoices and personally instructed the CFO to pay them.

The GC Chairman also served as a conduit to the donor who had agreed to pay Zacharias's legal expenses.²⁷ In our interviews and review of records, we learned that this donor offered and provided unrestricted donations to RZIM for the express purpose of paying for the legal fees associated with Zacharias's litigation against the Thompsons. Our review of relevant emails shows that the GC Chairman informed the donor about the amounts of the invoices. Notably, these donations were not recorded as payments for legal fees in RZIM's books and records.

Although we could not examine the Nixon Peabody invoices, we reviewed four separate cover letters from Nixon Peabody to the GC Chairman transmitting invoices for services rendered. While we did not see specific amounts on each cover letter, a review of the details of the general ledger shows that since July 2017, RZIM has paid more than \$560,000 in legal fees to Nixon Peabody to support Zacharias's litigation against Lori Anne Thompson and her husband.

Email communications that we reviewed show that the RZIM CFO notified Davis in both 2017 and 2018 that Zacharias's legal fees were being paid by RZIM by attaching the board resolutions. In our discussions with Davis, she admitted to receiving emails, but said that she did not remember receiving or reviewing the attachments to the emails or knowing about the payment of legal fees until the release of the Miller & Martin Report years later in February 2021.

On or about August 6, 2017, Baughman blogged about his recent discovery of Zacharias's lawsuit against the Thompsons.²⁸ According to RZIM employees who we interviewed, some RZIM leaders including Ramsden, Vitale and Murray told staff not to read Baughman's blog or purported emails between Zacharias and Lori Anne Thompson that had been published online in late 2017.²⁹ Some

²⁷ While not a board member in 2017 or 2018, this donor became a board member in 2019.

²⁸ See Baughman, "A Brewing Ravi Zacharias Sex Scandal" (Aug. 6, 2017) (*available at* <http://www.raviwatch.com/news/story/sex-scandal/>).

²⁹ See, e.g., Baughman, "Why I Believe Ravi Zacharias' Suicide Emails Are Authentic" (Dec. 15, 2017) (*available at* <http://www.raviwatch.com/news/story/suicide-emails/>). As has been widely reported, the texts and emails between Zacharias and Lori Anne Thompson suggest that they were engaged in an amorous online relationship.

interviewees told us this directive was based on RZIM's desire to avoid validating what it considered to be falsehoods with clicks on specific internet links, such as the one belonging to Baughman's *RaviWatch* website. At this point, most RZIM employees believed that the accusations against Zacharias, including those leveled by the Thompsons, were false and scurrilous. Some RZIM staff told us that they felt pressured to not ask questions or even inquire as to the possibility of the truth of the allegations because it seemed disloyal and "gossipy."

The Settlement and the Non-Disclosure Agreement

Believing Zacharias to be innocent, his family, RZIM staff, and the Board of Directors supported his legal efforts against the Thompsons and expected Zacharias to prevail. However, in October 2017, just prior to the annual Founders' Weekend event, Zacharias settled his lawsuit with the Thompsons through mediation. Davis told us that her father called her while he was still at the mediation and advised her the matter had been settled. However, Zacharias told Davis that he and the Thompsons had entered into an NDA and therefore there could be no further discussion of the matter. Zacharias explained to Davis that he had settled his case against the Thompsons on the advice of his counsel because years of litigation would be expensive and he could not predict what would happen if he took the case to trial. As a result of the settlement, Zacharias voluntarily withdrew his lawsuit against the Thompsons on November 9, 2017. Unbeknownst to Davis and others at RZIM at the time, Zacharias's settlement included a payment to the Thompsons.

Zacharias informed the Board of Directors about his settlement with the Thompsons at the board meeting that preceded the annual Founders' Weekend in October 2017 and asserted that the NDA in place restricted his ability to speak in detail about it. Based on our interviews of certain individuals who attended this meeting, we learned that Zacharias provided scant information to the board about the settlement. A few individuals interviewed said that there was some mention of the fact that each party paid its own legal fees. The RZIM board members did not ask any questions about the case or the settlement and the matter was treated as closed. Guidepost reviewed the relevant board meeting minutes and saw no mention of the Thompson litigation or settlement.

Between Founders' Weekend in October 2017 and Thanksgiving 2017, chatter within RZIM about the litigation and settlement quieted down, according to those we interviewed. Other than notifying RZIM employees that the litigation had been resolved, RZIM did not discuss the case or the allegations against Zacharias. Because the Thompson matter had been portrayed as a personal issue for Zacharias, RZIM did not communicate consistent messaging addressing what happened with the litigation and there was pressure on those at RZIM to avoid saying anything that could somehow

jeopardize the NDA. To some of the individuals who we interviewed, “resolved” meant that the case had been dismissed. However, the existence of the NDA prompted questions among RZIM staff, with some wondering why Zacharias had settled or resolved the matter if he was innocent, how the case had been resolved, and whether there had been a payment to the Thompsons. Some interviewees assumed that there had been some kind of payment but others wanted to move on to other business.

It is important to remember that at this time, Zacharias still held all positions of real authority at RZIM and therefore had the power to shape the ministry’s discussion of the Thompson matter. While Davis served as the Executive Director of RZIM, handling everyday business decisions, she still reported to her father in his roles as CEO and President. Any communication addressing the events related to the litigation would have to be sourced from and validated by him, according to those we interviewed. When questions about the allegations or the settlement arose, Zacharias and his legal counsel waved the flag of the NDA to stonewall those inquiries.

RZIM’s Response to Public Outcry About the Thompsons’ Allegations and Zacharias’s Lawsuit

Over the Thanksgiving weekend in November 2017, fueled by the suggestive emails between Zacharias and Lori Anne Thompson that had been leaked, Christian blogs and social media exploded. Over the ensuing days, RZIM pulled together an ad hoc and unofficial group, known as the “Task Force,” to prepare to answer questions from outside media and internal constituents. During this holiday weekend, Zacharias directly contacted a trusted public relations professional, Mark DeMoss, and asked for help.

In addition to Davis and DeMoss, the Task Force was comprised of two members of RZIM’s media and public relations team, Ruth Malhotra (then Public Relations and Communications Manager) and Nancy Gifford (then Global Media Director); and other RZIM leaders including Vince Vitale (then Zacharias Institute Director), Sanj Kalra (then Vice President of Strategic Partnerships), and Abdu Murray (then North American Director), with some involvement of Michael Ramsden (then European Director). Malhotra and Gifford provided direction relative to RZIM’s internal media response in addition to their assistance in addressing the external media concerns. Neither the CFO nor RZIM Human Resources director was included in this Task Force.

The Task Force was a reactive entity focused solely on public relations and communications relating to the allegations against Zacharias; it was not a fact-finding body. Given that the Task Force was not investigating and establishing facts for itself, it had to rely solely on Zacharias himself as the source

of information for its public responses and comments. In late November and early December 2017, the Task Force worked directly with Zacharias to craft responses to public and internal inquiries and draft a comprehensive statement addressing the unresolved questions about the Thompsons' allegations and the settlement of Zacharias's litigation against the couple. As we now know, Zacharias was an unreliable source of information.

Our interviews of Task Force members and others, as well as our review of a variety of emails exchanged between members of the Task Force and others in late 2017 and early 2018, shows an organization in crisis.

In an effort to get more information from Zacharias, DeMoss raised hard questions to Zacharias. These questions were also being discussed among a few others, including Malhotra and Gifford. Citing the NDA, Zacharias and his lawyers continued to push back on providing any details of the litigation and settlement with the Thompsons. Davis ultimately explained to Zacharias's counsel that if RZIM could not say anything about the litigation, Zacharias would lose his ministry. Another senior RZIM staff member close to Zacharias met with him one-on-one to ask about the relationship with Lori Anne Thompson. In this meeting, Zacharias denied doing anything inappropriate other than having the secret electronic communications with Thompson. Like many others, this senior RZIM staff member said that he believed Zacharias's denials.

In late November to early December 2017, the Task Force worked to draft a statement to be provided by Zacharias to *Christianity Today*. As part of that process, DeMoss, Davis, and others sought Zacharias's approval of the statement's content. Davis and others even went to the Zacharias home early one day to discuss the statement. Neither Zacharias nor his wife Margie wanted to make any admissions or concessions in the statement; they also feared that the statement made it seem as if there had been an emotional affair between Zacharias and Thompson. After much back-and-forth and tense negotiations with Zacharias, the statement was finalized and provided to *Christianity Today*, which used it as the basis for an article that it published online on December 3, 2017.³⁰ Within its article, *Christianity Today* published Zacharias's full statement. It read:

In October 2014, I spoke at a conference in Canada. At the conclusion of my talk, I met a couple who expressed an interest in our ministry. The wife asked if I would reach out to her husband because he had questions about the Christian faith. As requested,

³⁰ Kate Shellnutt & Sarah Eekhoff Zylstra, "Ravi Zacharias Responds to Sexting Allegations, Credentials Critique," *Christianity Today* (Dec. 3, 2017) (available at <https://www.christianitytoday.com/news/2017/december/ravi-zacharias-sexting-extortion-lawsuit-doctorate-bio-rzim.html>).

I followed up by sending an email and a book to him and invited him to consider attending one of our educational programs at Ravi Zacharias International Ministries (RZIM).

Some months later, I traveled with my wife and one of our daughters to another part of Canada for a speaking engagement. The couple attended this event and invited my wife and me to dinner at a local restaurant afterwards. That was the second and last time I was ever in the same room with either of them.

Subsequently, she began to contact me via the email address I had used to contact her husband after first meeting them. My responses were usually brief. Then, last year, she shockingly sent me extremely inappropriate pictures of herself unsolicited. I clearly instructed her to stop contacting me in any form; I blocked her messages, and I resolved to terminate all contact with her.

In late 2016, she sent an email informing me she planned to tell her husband about the inappropriate pictures she had sent and to claim that I had solicited them. In April 2017, together they sent me, through an attorney, a letter demanding money. I immediately notified members of my board, and as they advised, I personally engaged legal counsel.

In response to the demand for money, my attorneys filed a publicly available lawsuit under the Racketeer Influenced and Corrupt Organizations Act (RICO). The other side requested mediation rather than going to trial. We agreed to mediation and we reached an agreement in November 2017 to resolve the matter and dismiss my lawsuit. All communication with both of them has concluded, and the legal matters have been resolved. However, at this time, unfortunately I am legally prevented from answering or even discussing the questions and claims being made by some, other than to say that each side paid for their own legal expenses and no ministry funds were used.

I have learned a difficult and painful lesson through this ordeal. As a husband, father, grandfather, and leader of a Christian ministry I should not have engaged in ongoing communication with a woman other than my wife. I failed to exercise wise caution and to protect myself from even the appearance of impropriety, and for that I am profoundly sorry. I have acknowledged this to my Lord, my wife, my children, our ministry board, and my colleagues.

Let me state categorically that I never met this woman alone, publicly or privately. The question is not whether I solicited or sent any illicit photos or messages to another woman—I did not, and there is no evidence to the contrary—but rather, whether I should have been a willing participant in any extended communication with a woman not my wife. The answer, I can unequivocally say, is no, and I fully accept responsibility. In all my correspondence with thousands of people in 45 years of ministry, I have never been confronted with a situation such as this, and God and my family and close friends know how grieved I have been.

In my 45 years of marriage to Margie, I have never engaged in any inappropriate behavior of any kind. I love my wife with all my heart and have been absolutely faithful to her these more than 16,000 days of marriage and have exercised extreme caution in my daily life and travels, as everyone who knows me is aware. I have long made it my practice not to be alone with a woman other than Margie and our daughters—not in a car, a restaurant, or anywhere else. Upon reflection, I now realize that the physical safeguards I have long practiced to protect my integrity should have extended to include digital communications safeguards. I believe—and indeed would counsel others—that the standards of personal conduct are necessarily higher for Christian leaders.

The Lord rescued me at the age of seventeen, and I promised to leave no stone unturned in my pursuit of truth. He entrusted me with this calling, it is His; any opportunities I have been given are from Him. My life is not my own, it belongs to God. As long as He gives me life and breath I will serve out this calling He has given me. I am committed to finishing well, using whatever years He grants me to share His love and forgiveness, truth and grace, with people everywhere who are looking for meaning and purpose and hope. I bear no ill will toward anybody. God is the God of healing, and He promises a new day. May that be true by His grace.

Among other assertions in the statement, Zacharias admitted to exchanging emails with Thompson but insisted that he had not solicited any inappropriate photos from her, nor had he ever met her alone in person.³¹ Zacharias acknowledged that he had failed to act with caution and to avoid “even the appearance of impropriety”, but also declared that he had “never engaged in any inappropriate behavior of any kind” during his 45-year marriage.³² Zacharias also represented that “no ministry funds were used” to pay for his legal expenses.³³ Many of Zacharias’s statements now appear to be false.

On December 4, 2017, a day after the publication of the *Christianity Today* article, Zacharias sent an email to his attorneys – and inadvertently included Davis, DeMoss and Malhotra of the Task Force as addressees as well. In this email, Zacharias asked his lawyers to prepare a statement to be released if the monetary settlement became public. He listed five specific items he wanted his counsel to include in this statement. They were:

1. That you are asking me not to make any more statements. I know you made that clear to me even before we wrote this one. We had to do one, but I don't want to get into a magazine's platform to fight this out.

³¹ *Id.*

³² *Id.*

³³ *Id.* The statement also addressed the controversy over Zacharias’s credentials, which had resurfaced in the media in the wake of the news of the Thompson matter.

2. That my team of attorneys had my phone with two forensic labs and you stand by my story.
3. That this is the very narrative they portrayed that prompted us to take legal action against them. They asked instead for a mediator.
4. That this is not the first time they have sued a minister or church in demand of money. I think in a court of public opinion that will go a very long way.
5. That we don't wish to violate the CDA and hence I will not be saying any more but stand by what I have said.

As part of this email, Zacharias included a running email chain with his attorney, including a prior email dated December 3, 2017. In this earlier email, Zacharias disclosed the monetary settlement with Thompson of \$250k. Specifically within Zacharias's December 3 email was this:

Just one more thing. They may react with giving out publicly that we paid. If we can have a statement ready to go that our legal team felt strongly to save me the cost and the nuisance and length of stress to close. 250k is a far cry from 5M.

As noted in the previous paragraph, Zacharias mistakenly sent this email not only to his counsel, but also to Davis, DeMoss and Malhotra. On December 6, 2017, the chain was forwarded to Ramsden and to Gifford.

Additionally, in his December 4, 2017 email to his attorneys, Zacharias wrote that his "publicist" would participate in issuing the statement he envisioned. However, DeMoss recoiled at this plan and refused to pursue Zacharias's narrative against the Thompsons. In an email he sent on December 5, 2017 to Zacharias and others, DeMoss wrote:

I don't know if the "publicist" you refer to in your email to Brian [Kelly, Zacharias's lawyer] is me (I never use that term because I am not one), but I will not put my name to the kind of letter you outlined here with Brian Kelly; nor will I "add to it." I do not agree with that strategy or approach, do not think it will help you with anyone but your most ardent supporters (and not all of them) and I won't participate in it.

We are in for more rocky days ahead, at least based on the revelation below of payment, and demonizing this Canadian couple will not absolve you in the evangelical world. Of that I am certain.

In this December 5th email, DeMoss also asked Zacharias to provide a binder of the emails that he had exchanged with Thompson, which had been compiled by Zacharias's attorneys, as well as additional information from the various electronic communications. Finally, DeMoss stated that it was his belief that nobody on the Board of Directors had any knowledge of the electronic communications

at issue. Specifically, DeMoss indicated that he had spoken to a member of the Board of Directors, “which will raise new questions of board governance.” We do not know if there was any response from Zacharias to this email from DeMoss.

DeMoss was subsequently given access to the email binder, which was in the possession of Zacharias’s attorneys. He reviewed the emails and found them to be troubling. A member of the Executive Committee – the same RZIM board member who DeMoss mentioned in his December 5, 2017 email, above – also had access to this binder, but he told DeMoss that he never reviewed its contents. However, when Guidepost interviewed this Executive Committee member, this individual told us that he *did* review the binder in mid-December 2017 at the office of Zacharias’s attorneys, likely after the above email was sent by DeMoss. According to the Executive Committee member, he had been the board member “designated” (likely at the behest of Zacharias) to review those materials. The Executive Committee member stated that it was his understanding that the binder included not only materials from Zacharias’s side of the litigation, but materials from the Thompsons as well. This Executive Committee member reviewed the materials in the binder and did not find them concerning and said he reported as much to the Board of Directors. He told us that he had no reason at the time to doubt Zacharias’s version of the facts. This Executive Committee board member who also served as Chair of the GC was the same board member who brokered an introduction to Nixon Peabody for Zacharias’s defense.

After finding out about the settlement, Davis called her father and confronted him about the \$250,000 settlement payment. She told him that the whole Task Force team now knew about the settlement. Zacharias explained to Davis that he had taken a loan to pay the settlement and was now in debt as a result.

There was concern among the Task Force that the statement provided to *Christianity Today* on December 3, 2017 could be seen by the Thompson camp as a violation of the NDA. However, on December 7, 2017, Zacharias emailed the Task Force and told them:

I have just received a great letter from my attorney who has heard from theirs. They are willing to let my extensive statement be the last word on this and bring closure. So it is absolutely vital that we not stir the pot privately or publicly to raise their anger. They have said that they will not make any counterpoint to my statement. That is wonderful news. The best news we have received. A real answer to prayer. So let’s please, please be diligent here and end this from our side as well. Bloggers can make trouble but the best response is what Mark helped me draft. Any questions on the NDA can simply be said that none of you has seen it, but in the mediation agreed to, the two parties signed it and paid their fees, and no ministry money was used.

In addition to the payment for the legal fees for the litigation and contrary to RZIM's December 3, 2017 statement to *Christianity Today* and Zacharias's December 7, 2017 email, we did confirm RZIM as the source of the settlement payment in the Thompson litigation. On November 1, 2017, the Executive Committee authorized a loan to Ravi Zacharias of \$260,000 by resolution, which stated:

The Executive Committee in executive session (Ravi Zacharias, Margaret Zacharias and Sarah Davis all recused from both the discussion and the vote herein), does hereby authorize and approve a general purposes loan from RZIM to Dr. Ravi Zacharias for a period of forty-two (42) months commencing November 1, 2017 in the amount of Two Hundred and Sixty Thousand (\$260,000) US Dollars. This loan shall bear and accrue an annual interest rate of 2%.

On November 2, 2017, a wire for \$260,000 was sent from RZIM's operating account at Wells Fargo Bank to a bank account in Zacharias's name. This loan does not appear to be the first time RZIM loaned money to Zacharias. We found a reference in the notes to RZIM's 2010 financial statements to a \$55,000 loan made by RZIM to Zacharias. Due to the age of the loan, we were unable to find any additional details about the Board of Directors' approval of the transaction.

Although the language of the November 1, 2017 Executive Committee resolution authorizing the loan to Zacharias does not specifically state the use to which Zacharias would put the money, the timing and amount of the loan strongly suggest that Zacharias used this money to resolve the Thompson matter. Zacharias's legal expenses were already being paid for with RZIM ministry money, and therefore he would not need a loan to cover those invoices. Accordingly, when Zacharias and RZIM released his statement to *Christianity Today* on December 3, 2017 – in which Zacharias asserted that “no ministry funds were used” to resolve the legal matter with the Thompsons – the Executive Committee had already approved the loan of “ministry funds” to Zacharias and those funds had been disbursed to him. Zacharias told the same lie to the Task Force in his December 7, 2017 email.

According to our interviews with Davis, she was not aware of RZIM's loan to Zacharias in November 2017 until sometime in 2018 (although as noted above, Zacharias told her that he had received a loan to pay the settlement but was not specific as to the source). In addition to the Executive Committee members who approved the loan, the CFO of RZIM was in direct contact with the Board of Directors regarding the particulars of the loan, including the annual interest rate and term of the loan. The CFO told us that she discussed the timing of and the repayment of the loan with Davis in early 2018. Davis confirmed she became aware of the loan sometime in 2018.

Since late 2017, RZIM’s internal and external messaging about the monetary aspect of the Thompson settlement continued to be confusing and some RZIM senior organizational leaders were kept in the dark. Even at the time of our interviews in 2021, many members of RZIM’s senior leadership were aware that the Thompsons had received a settlement payment but they did not know the source of funds for the payment. Many assumed, based on statements that Zacharias made over time after the settlement, that he had taken money from a retirement account or obtained a personal loan to financially resolve the matter with the Thompsons.

Relying on Zacharias’s email and his other statements to the Task Force on December 7, 2017, RZIM Task Force members continued to state internally that “no ministry money” was used. According to Davis, in early 2018, RZIM endeavored to inform the ministry’s itinerant speakers³⁴ of the existence of a financial settlement. At a meeting of some of RZIM’s global leaders including some Regional Directors³⁵, they were asked to inform their speaking teams about the \$250,000 settlement in case the speakers were confronted about the matter while on the road. However, out of fear of penalty of being in violation of the NDA, there was no concerted effort to inform either RZIM donors or other RZIM staff of the details of the monetary settlement. In fact, some current and former RZIM employees claimed during our interviews that there was an intentional effort on the part of RZIM leadership to keep these details from them, which further exacerbated an already-fraught communications environment.

Early 2018 continued to be troublesome for RZIM as new information about Zacharias’s electronic communications with Thompson was revealed. In January 2018, as RZIM senior staff, including Murray, Ramsden, Kalra, Vitale, Davis, and Amy Orr Ewing (then EMEA Regional Director) traveled to meet with Zacharias in Bangkok for a strategic planning session, additional emails between Zacharias and Thompson were published by the media. Zacharias appeared to be very agitated and stressed as the team arrived in Bangkok. Among the RZIM employees who traveled to Bangkok for this meeting were members of the Task Force, who confronted Zacharias with pointed questions about details in the leaked emails. The Task Force members reviewed emails with Zacharias, line-by-line in some cases. Some individuals believed that Zacharias provided logical explanations in response to their questions; for others, Zacharias’s answers only raised more questions and concerns about apparent inconsistencies in his account.

³⁴ Itinerant speakers (or simply “speakers”) are individuals who are employed by or affiliated with RZIM and address audiences worldwide on the topics of apologetics and other RZIM ministry topics and issues.

³⁵ Regional Directors are RZIM global leaders in internationally affiliated RZIM entities.

The RZIM staff in Bangkok with Zacharias prepared him for a global “Question and Answer” live webcast to be broadcast to the entire RZIM organization on January 8, 2018. While most of the team returned home after the preparation was done, Abdu Murray, then RZIM’s North American Director, remained with Zacharias to ask prepared and incoming questions to Zacharias during the webcast. Zacharias opened with his own scripted remarks which the team in Bangkok had assisted him with. Malhotra and Gifford then received and forwarded to Murray questions from the RZIM audience that he posed to Zacharias.

During our interviews, current and former RZIM employees shared their recollections and notes from the webcast with us. In this online session, Zacharias provided some specifics about the emails between him and Thompson.

Zacharias apologized and asked forgiveness for not letting others know when he first received emails from Thompson. Zacharias also told the webcast attendees that a member of the RZIM Board of Directors knew everything that Zacharias’s attorney did in the Thompson litigation. Furthermore, Zacharias asserted that he settled the case because it would be too expensive and lengthy for the ministry to endure, describing the settlement as a normal way of business.

Murray asked questions provided to him from Malhotra and Gifford during this online session and those listening to the webcast reacted differently to RZIM’s attempts to communicate details about the Thompson litigation. Some RZIM employees were “horrified” (as one person put it) about the level of detail in the questioning and were very offended on behalf of Zacharias for having to answer such personal inquiries. Other RZIM staff on the webcast wanted more time to answer questions and felt unsatisfied with the time allotted for questions.

After the Bangkok webcast, public outcry and internal RZIM chatter quieted a bit. No further allegations against Zacharias surfaced, and many at RZIM thought that Zacharias and the ministry had successfully weathered the storm caused by the Thompson matter. This belief that the worst had passed was bolstered by a statement issued by the Christian and Missionary Alliance (“C&MA”), which credentialed and licensed Zacharias for ministry. Given the nature of the Thompsons’ allegations against Zacharias, the C&MA conducted a review of those allegations and the accusations that Zacharias had falsely inflated his academic credentials. According to a public statement that C&MA released in March 2018, it did not find evidence that required further investigation into Zacharias’s conduct:

Ravi Zacharias has maintained his licensing credentials through The Christian and Missionary Alliance (C&MA) for 45 years. Along with all C&MA licensed workers, he is subject to the Uniform Policy on Discipline, Restoration, and Appeal.

Recently Mr. Zacharias has been accused of exaggerating his academic credentials. Mr. Zacharias and his employer, Ravi Zacharias International Ministries, have revised and clarified their communications to address these concerns. The C&MA has determined that there is no basis for formal discipline regarding this matter.

Mr. Zacharias has also been accused of engaging in an immoral relationship with a woman through the use of electronic communications. The C&MA recently completed a thorough inquiry of these accusations, including interviews with those involved and a review of all available documentation and records. While it is not appropriate to publicly discuss the nuances of these allegations, the available evidence does not provide a basis for formal discipline under the C&MA policy.³⁶

Many RZIM staff saw the results of the C&MA's review as further evidence that Zacharias was not guilty of anything more than what he had admitted in the Bangkok webcast or said in public statements.

As the storm surrounding Zacharias started to seemingly blow over, RZIM took the extraordinary step of giving Zacharias money to pay back the loan it had extended to him in November 2017. Specifically, on March 26, 2018, the Executive Committee of the Board of Directors authorized the payment of a \$400,000 bonus by RZIM to Zacharias for the specific purpose of paying back the \$260,000 loan made by RZIM to Zacharias for settling the litigation he started against the Thompsons. According to board members who we interviewed, the bonus included an additional \$140,000 to cover the federal and state income taxes that Zacharias would incur on the bonus payment, as well as additional compensation commensurate with the market. Per the Executive Committee resolution dated March 26, 2018:

On March 26, 2018 at 3PM the Executive Committee met in Executive Session via teleconference; present on the call were [names redacted at individuals' request, to preserve anonymity]. Our purpose was to consider options available to Ravi Zacharias and the Ministry (RZIM) as it relates to the note owed by Ravi to RZIM. After a thorough consideration of various options available:

It was resolved and the Committee made a motion [motion made by names redacted at individuals' request, to preserve anonymity] to approve an immediate bonus distribution to Ravi in the amount of \$400,000 (four hundred thousand dollars), with

³⁶ "Public Statement on Accusations Against Ravi Zacharias," The Christian & Missionary Alliance (undated) (available at <https://www.cmalliance.org/news/2018/03/05/public-statement-on-accusations-against-ravi-zacharias/>).

the expectation that Ravi will use the funds to immediately pay off in full the entire amount of his financial indebtedness to the Ministry. The vote was unanimous.

Executive Committee members interviewed recalled that RZIM had commissioned a compensation study to ensure that Zacharias's total salary and bonus would be commensurate with that paid by other ministries of similar size and prominence, suggesting that this was the reason why Zacharias had received this bonus at this time. Guidepost requested to review this compensation study, but it was not provided. We, therefore, cannot confirm that it was actually done, or whether it was done solely to justify paying this bonus to Zacharias to make him whole after the loan and payment to the Thompsons. According to the CFO, Zacharias had received a few bonuses over the years, but she was unaware of any bonus of a significant nature.

RZIM's response to the allegations made by the Thompsons against Zacharias in their Demand Letter in 2017 demonstrates the near-complete loyalty that the RZIM leaders and board members showed to Zacharias, even in the face of his inconsistent and incomplete explanations, evidence undercutting those explanations, and an ever-evolving storyline that played out in the Christian and mainstream media. In all of our interviews, not one individual affiliated with RZIM ever told us that they believed at the time that the Thompson allegations could be true.

Additionally, in interviews of the CFO, Davis, and some of the Executive Committee members, many agreed that the December 3, 2017, RZIM public statement regarding no use of ministry monies was inaccurate. In fact in a December 4, 2017 email between the CFO and the RZIM accountants which was forwarded to Davis on the same date, the accounting firm stated this in regard to the inaccuracy of the December 3, 2017 statement:

... - I appreciate your concern about the six words I saw and also had concern about without knowing.

By the way the "protection" of privacy under public accounting laws are as high or higher than legal under Georgia law.

Having said that and with reflection, I have high concern for the ministry if the six words we discussed are not taken out of the disclosure.

By the way I commend the honesty and transparency of the disclosure, so consistent with Ravi and the organizations leadership and culture.

But to pass the test of those words, in a very real and honest way and even technically as an exempt organization, the funds to pay for the legal expenses would need to have been funded personally rather than by contribution to the "ministry".

I feel a need to emphasize or reiterate this concern. If nothing is done, and that is not yours or my decision, there are no immediate consequences but I just pray the ministry is never challenged or brought to account for what is asserted because it is not factually supportable.³⁷

No one, not Davis, not the CFO nor any Executive Committee member who knew this statement to be false, addressed the issue or more fully stated the truth internally or externally until recently. Not only does this appear to be a glaring example of how RZIM sometimes operated in silos of information which critically undercut their ability to manage the ministry, but it shows a lack of commitment to transparency for the record should have been made clear well before now. This inaccuracy has been left to stand for years and only adds to what is already a fractured trust of RZIM leadership and its board.

Since the release of the Miller & Martin Report in February 2021 and our subsequent engagement, many current and former RZIM employees have come forward to speak to us and claimed to have had suspicions and unanswered questions from 2017. However, each of these individuals also told us that somehow, in spite of their concerns and questions at the time, they were satisfied enough with the explanations provided by Zacharias to stay at the ministry. We are unaware of anyone who left RZIM in 2017 or 2018 because they did not get answers to questions or did not believe the statements by Zacharias regarding his relationship with the Thompsons. As one RZIM employee told us, “We were all duped.” While that may be true, it is also true that many RZIM leaders, employees, and the Board of Directors chose not to press for further investigation of Zacharias’s interactions with Thompson, despite clear indications that Zacharias had not provided a truthful account of those interactions.

2020: Allegations About Zacharias’s Sexual Harassment and Abuse of Massage Therapists

The events of 2020 were dramatic for both the world and RZIM. In early 2020, as the COVID-19 pandemic spread across the globe, Zacharias was diagnosed with an aggressive form of cancer. He subsequently died in May 2020. To honor its founder and leader, RZIM held a public memorial service, attended by notable public figures, at which many RZIM staffers spoke in glowing terms about Zacharias. The ministry had anticipated a significant decline in financial resources due to Zacharias’s

³⁷ This email was provided to Guidepost on the day we were finalizing our report and only after we verbally briefed RZIM leadership and the board. Its late provision only adds to our concern that we have not received the relevant information that we have been requesting for months.

passing and the challenge of fundraising in the COVID-19 era, but RZIM actually received generous support throughout 2020.

In August of 2020, new allegations surfaced about Zacharias's involvement in two spas in Alpharetta, Touch of Eden and Jivan Wellness, which operated sequentially in the same location from in or around 2004 to in or around 2012. By way of background, as noted in the Executive Summary above, RZIM hired Miller & Martin to investigate allegations that Zacharias had engaged in inappropriate, nonconsensual sexual touching at the two spas, and the law firm found significant credible evidence that these accusations were true with respect to numerous massage therapists who worked at the spas. With respect to claims that Zacharias held an ownership interest in the spas, according to the Miller & Martin Report, Zacharias was not listed on any state incorporation documents for the spas nor did he appear to have any day-to-day involvement in their operation. However, the Miller & Martin Report stated that Zacharias told witnesses that he was an investor in the spas, and he had a Jivan Wellness email address.

In August 2020, Baughman (the *RaviWatch* blogger) contacted a number of RZIM leaders by email, informing them that he had been in contact with a person who alleged that Zacharias had inappropriately touched massage therapists at two spas that he owned, Touch of Eden and Jivan Wellness. Baughman invited RZIM to respond to these allegations.

At the time Baughman sent these emails, many RZIM employees including some RZIM leaders were unaware of any involvement by Zacharias in any spa establishment, and thus the allegations were initially "ludicrous," as one interviewee said. As the allegations were discussed within RZIM, however, RZIM staff learned that some people, including Davis, knew that Zacharias had some level of involvement with the two identified spas. According to Davis, while the Zacharias family was aware of Zacharias's affiliation with the spas, they believed his involvement was limited from a business perspective.

Because Baughman was the source of the spa allegations, the allegations themselves were sensationalistic, and Zacharias could not defend himself or provide any information, RZIM senior organizational leadership initially pushed back on any possibility that the accusations were truthful. Based on its first impression of the allegations, RZIM issued a statement for use by RZIM employees in response to any external inquiries. It was sent by Davis to all RZIM employees and their respective boards on September 8, 2020 and included the following:

We, the family and ministry teammates of Ravi Zacharias, can say that the accusations being made against Ravi do not comport in any way with the man we knew for 74 years, nor do we believe them to be true. These accusations pertain to businesses closed nearly a decade ago. While we would like to respond in more detail to these accusations, it is virtually impossible to do so at this time given these accusations were only made months after his death and were never raised during his 74-year life.

This statement upset some individuals at RZIM, who expressed their concern that it purported to represent the sentiment of a broad contingent of RZIM, when in fact many within the organization were disturbed by the new allegations. Some people who we interviewed told us that the new allegations compounded their unresolved suspicions (based on earlier allegations against Zacharias) of a pattern of inappropriate behavior by Zacharias. Due to this initial refusal by RZIM senior leadership to believe the spa allegations might be true, many at RZIM felt that once again, Davis and others had defaulted to blind loyalty and protection of Zacharias and his reputation in the face of serious allegations that called for further investigation. In spite of RZIM senior leadership not believing the accusations, they and other RZIM personnel were quite alarmed about the new allegations from the very outset, despite the source, and believed that the allegations could not go unanswered given their seriousness.

RZIM issued another statement days later that called for an independent investigation of the allegations of spa abuse.³⁸ In addition, Murray worked to perform some limited due diligence, researching the victims and the owners of the spas. RZIM conducted limited background checks prior to engaging a law firm to lead the investigation. As part of this early attempt at an independent investigation, some RZIM leadership reached out to an attorney in the Atlanta based law firm who had previously represented Zacharias. RZIM leadership requested a referral to a firm suitable to conduct an investigation of the spa allegations. This lawyer had recently moved to another law firm and recommended a partner in his new firm based on his experience in investigating and prosecuting sex crimes. After meeting, RZIM engaged this new, referred attorney and worked to ensure Zacharias's previous counsel was formally separated from any knowledge or involvement with the new investigation. Others at RZIM pushed back on this proposed engagement, skeptically viewing it as yet another effort to control the investigation and protect Zacharias's reputation.

Ultimately, RZIM leadership deferred to those concerns and retained Miller & Martin, a firm with appropriate expertise and no previous history with RZIM or Zacharias. In early October 2020, RZIM

³⁸ See Silliman, "Ravi Zacharias's Ministry Investigates Claims of Sexual Misconduct at Spas," Christianity Today (Sept. 29, 2020) (available at <https://www.christianitytoday.com/news/2020/september/ravi-zacharias-sexual-harassment-rzim-spa-massage-investiga.html>).

publicly announced that it had hired Miller & Martin to conduct an independent investigation. The Miller & Martin investigation stands on its own and dealt a dramatic blow to RZIM as an organization. Indeed, RZIM is still in the midst of considering its path forward.

RZIM's response to the 2020 spa allegations against Zacharias differs markedly from its reaction to the 2017 Thompson allegations against him for several reasons. First, and most obviously, Zacharias was no longer alive when the spa allegations surfaced in 2020 and therefore, he could not dictate the ministry's response as he had done in 2017 when confronted with the Thompsons' allegations. Second, and relatedly, in 2020, Davis was the CEO of RZIM and therefore in a position to guide the ministry's actions. Facing devastating accusations against her own father just months after his death, Davis had the courage to pursue an independent investigation of the facts, at great personal risk and loss. Davis recused herself from any involvement in the law firm's investigation, to ensure that it remained truly independent and uninfluenced by her family ties or position at RZIM. Third, the results of that independent investigation provided a shocking yet evidence-based and accurate portrayal of Zacharias's abusive behavior involving the massage therapists at the spas and his inappropriate relationships with other massage therapists and women around the world. Most who read the Miller & Martin Report could see that there was truth to the spa allegations – the blinders were finally removed.

In November 2020, during the course of the Miller & Martin investigation, Davis learned of another sexual abuse allegation that both impacted the investigation and confirmed for her that the allegations about Zacharias first surfaced by Baughman in August 2020 were true. When we interviewed Davis, she told us that this new information related to a woman receiving money from RZIM's TOH fund, which the Miller & Martin Report described as a "purely discretionary fund" that made small and large payments to four massage therapists who provided services to Zacharias.³⁹ Based on this new information, Davis assumed that all the other allegations leveled against her father were true. At this point, she told Murray about this new information. According to Davis, in early December 2020, she also contacted Miller & Martin through counsel and asked them to take a "timeout" (as she put it) in their investigation while she coordinated with the Executive Committee. While Davis was recused from the Miller & Martin investigation, she also provided the additional victim information to them for follow up through outside counsel. Davis notified the Executive Committee about the additional allegation and asked for its approval for Miller & Martin to produce an interim report before the end of 2020. Davis told us she was concerned about being transparent because the year-end giving season was

³⁹ See Miller & Martin Report at 5 (describing payments from TOH to four women, each of whom "received monthly support from TOH for extended periods of time").

imminent; if RZIM already knew that the allegations against Zacharias were true, potential RZIM donors should know as well.

Accordingly, Miller & Martin provided an interim report to RZIM, dated December 22, 2020 (the “Interim Report”), which stated that the law firm had “found significant, credible evidence that Mr. Zacharias engaged in sexual misconduct over the course of many years.”⁴⁰

Some of the RZIM leaders we interviewed acknowledged that they did not credit the 2020 spa allegations and the mounting evidence of inappropriate behavior by Zacharias until the Interim Report was published. With the documented evidence provided in the interim report, some RZIM leaders admitted to re-evaluating their defense of Zacharias and came to terms with the reality of his actions. Once the Miller & Martin Report was publicly issued in February 2021, the Board of Directors provided its public statement on the various allegations against Zacharias in an “Open Letter from the International Board of Directors of RZIM on the Investigation of Ravi Zacharias” published on RZIM’s website in February 2021.⁴¹

Cultural Assessment and Recommendations

As the foregoing factual discussion makes clear, RZIM’s response to the allegations against its founder was the product of its culture, which was entirely dominated and shaped by Zacharias. Zacharias and his family were at the core of RZIM and therefore any meaningful decisions were almost entirely within their control. Zacharias was loved and adored and even idolized by RZIM insiders and followers, and that devotion precluded any meaningful questioning of Zacharias’s actions and motives. As a result, Zacharias was treated differently than anyone else at RZIM. While Zacharias often spoke of moral integrity and safeguards, he did not abide by the same standards that others at RZIM were expected to follow. Unfortunately, when he was confronted or even asked about his own integrity, Zacharias challenged his questioners and deflected their questions. Because he was the ultimate authority and the focus of the ministry, he could get away with it.

The RZIM-affiliated individuals who we interviewed made it clear that RZIM, as a global ministry, had many subcultures within that organization. Recognizing this, we nonetheless sought to identify common themes across the entire organization during our cultural assessment. Ultimately, we focused

⁴⁰ Letter from Lynsey S. Barron, Esq. (Miller & Martin) to Members of the Special Committee of the RZIM Board of Directors at 1 (Dec. 22, 2020) (available at <https://rzimmedia.rzim.org/assets/downloads/2020-12-22+LMB+Ltr+to+Special+Cmte.pdf>).

⁴¹ See BOD Open Letter.

on three key components of RZIM's culture: (1) organizational leadership, including tone and transparency of RZIM leadership and the role of the Board of Directors in ministry operations; (2) the work environment as experienced by its employees; and (3) communications, specifically the effectiveness and clarity of RZIM communications to employees and the public.

Organizational Leadership

In the aftermath of the public release of the Miller & Martin Report, many individuals at RZIM or affiliated with the ministry expressed deep sadness and great anger at Zacharias. They felt betrayed and “duped” by someone for whom they had immense respect and love. In retrospect, many individuals at RZIM admitted that their affection for Zacharias led them to be unable to question his actions. Almost everyone who we interviewed acknowledged that they had not believed any allegations against Zacharias even when red flags were apparent.

Some senior leaders of RZIM and members of the Board of Directors were among those who told us that they were slow to believe the 2020 allegations about Zacharias's abuse and harassment of massage therapists. As a result, initially these senior leaders and board members did not act swiftly or appropriately in response to the 2020 allegations. Moreover, it is now clear that the loyalty and affection that these leaders and board members had for Zacharias had caused them to fail to investigate and respond to prior allegations against Zacharias as well.

Because the leaders and board directors at the very top of the RZIM organization could not bring themselves to believe the accusations against Zacharias and to act in the best interests of the ministry, they could not be effective leaders. Their decisions to support Zacharias without question or doubt set the tone for the ministry's lower-level employees, who were either directly told or implicitly understood that they, too, were not to question or doubt Zacharias as well. As a result, RZIM as an organization failed its employees, its donors, its followers, and most importantly, the victims of Zacharias's abuse and harassment.

RZIM Leadership Team

Before delving into our analysis of RZIM's leadership, we start with an overview of the leadership structure and personnel. Zacharias served as both the CEO and Chairman of the Board of RZIM from his founding of the organization in 1984 until 2019, and he was also RZIM's President for significant periods of time as well. In these roles, Zacharias had singular executive oversight of both RZIM and its volunteer Board of Directors and enjoyed unchallenged authority as a result. Although he ceded

his CEO title to his daughter in 2019, Zacharias remained the Chairman of the Board until his death in May 2020.

The Zacharias family was the nucleus of RZIM. RZIM did not spring into life as a global organization but as a ministry founded by Zacharias and supported by his wife and children. At the time of the events discussed in this report, several members of the Zacharias family were directly employed by the ministry, including Margie Zacharias, Zacharias's wife, who was an RZIM Vice President and the Chief Culture Officer; Davis, Zacharias's daughter, who joined RZIM in December 2011 as Executive Director and ascended to CEO in 2019; Naomi Zacharias, another daughter, who was an RZIM Vice President and the Director of WSI; as well as Zacharias's son, son-in-law, nephew, and sister-in-law. Margie Zacharias also served as a member of RZIM's Board of Directors. Currently, only Davis remains at RZIM. As the factual discussion above indicates, Davis was heavily involved in RZIM's response to the accusations leveled against her father in 2017 and 2020.

In addition to the Zacharias family, RZIM's leaders include global speakers. Many global speakers also were in key leadership positions, such as Michael Ramsden. Ramsden served as RZIM's European Director from 1997 to 201 and International Director of Ministries from 2014 to October 2019, before he was appointed as President of RZIM in October 2019. Another speaker, Abdu Murray, joined RZIM in 2015 becoming the North American Director in October of 2015, and was promoted to his current position of Senior Vice President, Legal Counsel and Crisis Management in June 2019. A third speaker, Vince Vitale, served in a number of positions within RZIM since 2010 (primarily in the UK) before moving to RZIM headquarters in 2019 to assume his current position as Regional Director for the Americas. Our investigation established that Ramsden, Murray, and Vitale were significantly involved in RZIM's response to the allegations made against Zacharias in 2017 and 2020. The CFO and RZIM's Human Resources director were also considered members of the senior leadership team. While neither the CFO nor the Human Resources director were consulted relative to communications in response to the 2017 allegations, the CFO was involved in facilitating payments for legal fees and the loan payment to Zacharias at the direction of the Board of Directors.

We interviewed each of the above members of RZIM leadership, some numerous times. We received from them emails, texts, and other documents relative to their positions, functions as well as their decisions relating to their involvement with the ministry response to the allegations against Zacharias. For the most part, those leaders we interviewed were generally cooperative. However, we are not confident that RZIM has provided us with all information relevant to our investigation. In other words, we fear that if we did not specifically request an exact piece of information – for example, if we were

not aware of its existence, but its relevance to our work would be apparent – RZIM would not have provided it proactively, even if RZIM knew that it would provide clarity.

For a variety of reasons, discussed below, RZIM's leadership structure and the failings of its leaders themselves enabled Zacharias to act with impunity. While not knowledgeable at the time, when serious allegations were raised about Zacharias's improper conduct, those leaders defended Zacharias without question, relied upon his explanations, ignored red flags, and failed to push for further investigation. This automatic loyalty at the top of the organization created a culture in which RZIM employees were encouraged to flatly reject the allegations against Zacharias without question or doubt, and those who *did* question or doubt felt as if they could not speak up. The failings of RZIM's leaders directly contributed to the organization's inadequate response to the troubling accusations against Zacharias in 2017 and initially in 2020.

The most significant flaw in the RZIM leadership structure prior to 2019 was the vesting of executive leadership solely in Zacharias and the complete deference that the other senior leaders showed to him as their organizational and spiritual leader. This deference extended to Zacharias's family members as well. It is not unusual for family members to work together in Christian ministry, but many at RZIM expressed concern about questioning the positions held by or the decisions made by Zacharias family members and a fear of retaliatory consequences if they did. This reluctance to speak up contributed to the organization's inadequate response to the allegations against Zacharias.

Even though Zacharias no longer sits at the top of the RZIM organization, his daughter still serves as Global CEO. Since she assumed this position in 2019, she has sought to transform RZIM into a better-functioning global ministry, standardizing certain functions of the organization, and strengthening its global ministry by empowering the Regional Directors. According to those we interviewed, the vast majority of those at RZIM supported Davis in her efforts to improve the organization. For some interviewees, however, the fact that she is Zacharias's daughter should disqualify her from leading the ministry. These individuals expressed affection and admiration for Davis and her leadership style, but they believe that no Zacharias family member should remain as part of the leadership of the organization. In addition, a number of interviewees told us that Davis's involvement in RZIM's inadequate response to the allegations against her father in 2017 have caused concern about her continued service as CEO. While Davis was not CEO in 2017, she did serve as Executive Director at that time and played a significant role on the ad-hoc Task Force that directed RZIM's response to internal and external questions about Zacharias's actions.

The deference that RZIM's senior leaders displayed toward Zacharias impacted not only the organization's big decisions, such as those that shaped RZIM's response to the Thompson allegations, but more mundane matters as well. In our interviews, we learned that Zacharias received preferential treatment that went unchallenged by other leaders, even as they were held to different standards. For example, Zacharias did not abide by certain safeguards instituted for RZIM's speakers as they traveled, such as limitations on the amount of time spent away from family and discipline with whom one traveled. In addition, Zacharias enjoyed premium compensation and travel accommodations, and his expenses were generally paid without question. Relatedly, Zacharias's office and personal support staff (which grew as the ministry grew) worked within its own organizational silo, not subject to or limited by the rules that applied to other staff involved in speaking or ministry operations.

Another problem with RZIM's leadership structure was a lack of clarity about that structure. While the leadership roles of Zacharias and certain family members was obvious, the roles, responsibilities, and authority of non-family senior leaders were not well-known to all RZIM employees. In our interviews with current and former RZIM staff, many were uncertain as to who was actually leading the organization. Some interviewees expressed confusion about the current roles of Ramsden and Murray in leading RZIM forward, despite their prominent positions as President and General Counsel, respectively. In addition to Davis, many individuals identified different leaders, including Vitale and Helen Downey, who served as the Chief Operating Officer for the Americas until June 18, 2021, as the people who are guiding RZIM onward. We believe that current RZIM should define and communicate the roles and responsibilities of its leaders, to provide clarity to staff, partners, donors, and the board and to eliminate any confusion as to who is in charge now and going forward.

Going forward, the biggest problem facing RZIM's leaders is RZIM's leaders – the current executive team includes nearly all of the individuals who were actively involved in making the major decisions about RZIM's response to the allegations against Zacharias in 2017 and 2020. We are aware that those leaders were in different roles back then, and many have publicly and privately apologized for their actions during the crises that arose from those allegations. Nevertheless, some of the current leaders are the same people who participated in drafting public and internal statements that were less than transparent and even inaccurate at times. Even when they became aware of an inaccuracy, some did not work to correct it which has only exacerbated the already poor decisions in responding to the 2017 and 2020 allegations.

To effectively lead RZIM beyond the Zacharias scandals and into the future, RZIM leadership must regain the trust of the ministry's followers, employees, donors, and others. This task may be too much for the current leadership. We believe that RZIM should reassess the current organization leadership

structure and personnel, given that the current leaders are the same individuals who participated substantially in RZIM's mishandling of the allegations against Zacharias and the resulting ministry crises of 2017-2021.

As part of this reassessment, in the future, RZIM should consider naming leaders who are focused and professionally-skilled individuals with management experience that complements their Christian beliefs. Another aspect of RZIM's leadership structure that impacts its ability to excel is the fact that some senior leadership positions are held by distinguished speakers, many of whom have their own separate ministries. For these leaders, the competing duties of apologetics and operational authority mean that they sometime make decisions when they are on the road, lacking both complete information (at times) and the ability to coordinate with other leaders. Having a professional and focused management team that makes well-informed and collaborative decisions is imperative for any global organization, and RZIM suffered because its leadership was diffused across the world.

RZIM faces significant challenges in the near and long-term future. It lost its founder in 2020, suffered devastating blows to its integrity because of its handling of allegations against Zacharias, and faced the challenges of operating a global ministry in a global pandemic. Some RZIM global affiliates have dissolved and no longer exist, while others have severed their ties with RZIM. Employees have been laid off. This maelstrom of adversity would challenge any leader or leadership, let alone a leadership team that has lost much of the trust it once enjoyed.

RZIM's Board of Directors

Two months into our engagement, the board took more control of our work due to the significant time and resources required. It assigned a board special advisor with whom we worked closely. While this special advisor helped us to obtain various materials we requested, there were situations in which he had to ask the board for approval to release records and information to us. Due to a number of reasons, including reduced RZIM staff and inconsistent document controls, we often struggled to get access to notes, emails, financial documents, communications, and other items we identified as relevant to our review. Some records we requested were never produced, and some were redacted under a claim of legal privilege. As we were drafting this report, we continued to receive additional information that had been requested weeks earlier. As a result, we can report based only on what we have seen and cannot unequivocally assert we had access to all relevant materials.

By way of background, RZIM is a Georgia corporation that is managed by its US based Board of Directors, which is formally known as the RZIM International Board of Directors. Although RZIM has

other affiliate organizations and/or subsidiaries around the world that have their own in-country directors (e.g., in the United Kingdom), the primary decision-making board with respect to the management of the ministry is the US based Board of Directors.

On the surface, the Board of Directors is typical in many ways. The most recent iteration of the bylaws, approved by the Board of Directors in October 2019, calls for the appointment of at least nine but no more than 25 board members. Before the release of the Miller & Martin Report in February 2021, there were 22 members on the Board of Directors, but many outside board members resigned in the aftermath of that report. Currently, there are eleven outside board members, all of whom are unpaid for their board service. According to the 2020 committee rosters, five of these eleven board members—the current Board Vice Chairman, the Board Secretary, the Chairman of the Strategic Planning Committee, Chairman of the Development Committee, and the Board Treasurer—sit on RZIM's Executive Committee. The remaining two members of the Executive Committee are RZIM's CEO, Sarah Davis, and Founding Vice President, Margie Zacharias.⁴²

With respect to RZIM's officers and positions on the Board of Directors, the board's bylaws provide that the RZIM Board of Directors may elect or appoint a Chief Executive Officer and other executive positions. In addition, the Board of Directors elects or appoints a chairman of the board, along with a secretary, and a treasurer. Salary ranges for the CEO are recommended by the Governance Committee and then approved and administered by the Executive Committee.

The RZIM board members serve on one or more of seven committees within the Board of Directors: (1) Strategic Planning; (2) Audit; (3) Governance; (4) Finance; (5) Development; (6) Nominating; and (7) Executive. The RZIM bylaws set forth the specific duties for each committee, which are similar to the duties of such committees on many boards. For example, the duties of the Finance Committee are to oversee the development and approval of each year's budget and to monitor expenditures in relation to the approved budget. The Executive Committee is charged with and authorized to exercise the power of the Board and the directions of the Board, in accordance with RZIM's bylaws. There are certain actions that the Executive Committee may not undertake, however, such as changing the salary ranges of officers and directors, amending bylaws, and certain actions around real assets exceeding the value of \$500,000.

Typically, the RZIM Board of Directors meets four times a year, with two meetings in person and two meetings held virtually. For the last five or six years, electronic binders (i.e., e-books) comprising

⁴² Margaret Zacharias left RZIM's board in January 2021.

written reports from various members of RZIM senior staff, along with financials and/or other key business for the board to consider, were provided in advance of a meeting. The board members who we interviewed considered these materials to be thorough.

With respect to documentary governance, the Board of Directors' bylaws have been amended over the years, including amendments in 2018 and 2019, with those amendments being presented to the Board of Directors for consideration. Minutes are kept for each of the four board meetings and are included within board e-books for voting and approval. Members have been required to submit conflict of interest disclosures annually, as well as a statement of faith. At one point in or around 2011, RZIM eliminated term limitations for board members for the express purpose of maintaining institutional knowledge on the board, to better support the ministry in the long run.

Our assessment of the RZIM Board of Directors relies primarily on the documents we reviewed and the interviews we conducted. Guidepost reached out to Executive Committee members to request interviews and were not contacted by any other board members. In our interviews, we found the Executive Committee members to be generally cooperative and aligned with our investigative goals. In terms of experience and qualifications to serve on the RZIM board, the Executive Committee members described their experiences sitting on the boards of non-profits, for-profit companies, and other religious organizations such as churches and colleges. These board members also bring significant business and management experience to bear from their own employment and professional work. Our interviews revealed that at a high level, the Executive Committee members seem to share a common understanding of the intended role of the RZIM board in the ministry's operations, which was that of longer-term oversight rather than hands-on involvement in day-to-day operations. Two of the board members interviewed were able to reference specific portions of the bylaws, demonstrating a good level of familiarity with an important, board-related document.

In fulfilling this oversight role, however, RZIM board members were too passive. This contributed to RZIM's inadequate response to the allegations against Zacharias in 2017 and at other times. One Executive Committee board member described the RZIM Board of Directors as an entity not interested in "heavy lifting." From that statement and statements made by other Executive Committee members, as well as views expressed by other interviewees, we learned that many members of the board did not see it as their responsibility as a board member to dig deeply into an issue, or to question a statement made to the board by Zacharias or other senior RZIM leaders. This was true even when discussing a matter that could result in long-term repercussions for RZIM, such as the Thompson allegations and other accusations made against Zacharias.

Moreover, the longstanding personal relationships between many board members and Zacharias, which spanned many years and even decades, also helped foster an environment in which the Board of Directors as a whole was less inclined to “kick the tires” to get to the truth of issues that arose. We understand that Zacharias held near-unilateral control over the selection of new board members while he was alive, notwithstanding the creation of a Nominating Committee sometime around 2018. Interestingly, at least two Executive Committee members indicated that plans to get a nominating committee were never fully executed. This indicates to us that although a nominating committee may have been created on paper in the last two years preceding Zacharias’s death, there was not a defined mandate or process around such a committee.

Moreover, our current understanding of the composition of the Nominating Committee is that it only has one member at this time. Zacharias’s sole control of the selection of new board members meant that there was no formal board process to select and nominate prospective members, to vet those potential members in advance of their nominations, and to present qualification materials on those nominees to the board at large as part of the nomination process.

Instead, from what we learned in interviews, it appears as if Zacharias unilaterally chose individuals with strong personal ties to him to serve on the RZIM Board of Directors. In addition, another key requirement for board membership (although not expressly stated or written) was a track record of significant monetary donations to RZIM and often participation in RZIM’s ministry. Two Executive Committee members who we interviewed indicated that they did not know about new nominees to the Board of Directors until right before that person’s nomination was communicated to the board at large, or even at the moment when the nominee was actually installed as a board member.

Another board-related process weakness concerned its handling of conflicts of interest. Each year specific RZIM employees and board members are required to disclose actual and potential conflicts of interest in writing on disclosure forms. However, our interviews revealed that there is no “next step” if a conflict is disclosed – the process simply ends at the disclosure of the actual or potential conflict. Executive Committee members were aware that at least one board member had identified a conflict of interest on his annual disclosure form, but there was no formal discussion among the Board of Directors about whether any steps were needed to mitigate this conflict and what those steps might be (for example, whether this member should be recused from any decision-making related to his conflict).

According to an interview of Executive Committee member, members of the Board of Directors are permitted to engage in business with the ministry. In fact, one board member is affiliated with a firm

that serves as a financial advisor to RZIM. While this relationship has been disclosed in the notes to the ministry's financial statements and the board member has disclosed his conflict of interest annually to RZIM, the board member provides and is paid for his financial advice on a significant sum of money belonging to RZIM. In our interviews, we learned that the board is reportedly establishing an Investment Committee to provide guidance on investment strategies and the selection of financial advisors. As previously mentioned herein, Margie Zacharias and Sarah Davis, both family members, were also part of the Board of the Directors and filled out COI forms.

The RZIM Board of Directors also suffers from process and structural weaknesses relating to the communication of information between the Executive Committee and the board at large. Our investigation revealed that several troubling communications breakdowns occurred among key Executive Committee members, as well as between the Executive Committee and the board at large. The communications breakdowns described above point to larger issues around the health of the board's operation. Specifically, certain Executive Committee members who we interviewed expressed concern that they had not been informed about events or facts privy to other Executive Committee members – information that they believed to be relevant to their responsibilities on the Board of Directors. For example, we were told that some members of the Executive Committee (as well as many other members of the Board of Directors) were unaware that Zacharias traveled with a woman who provided massage therapy to him until this arrangement was disclosed in the Miller & Martin Report.⁴³ Similarly, our interviews revealed that some Executive Committee members (and many other board members) did not know about the 2011 allegations that Zacharias had been seen leaving a massage therapists office and the request by Zacharias of the GC Chairman to travel to Singapore as a result. Those who we interviewed believed that these important facts and others should have been disclosed to them, so that all board members had the same knowledge base when addressing these issues.

There were other intra-board misunderstandings related to the specifics of the use of ministry funds to pay for Zacharias's legal costs and the Thompson settlement. For example, even though the Executive Committee had approved the use of ministry funds to pay Zacharias's legal fees, it appears as if at least one member did not fully understand the logistics of the fee payment. More specifically, one Executive Committee member told us that it was his understanding that a donor paid Zacharias's legal fees directly to the law firm; in reality, a donor gave the money to RZIM, which in turn paid the invoices that the law firm sent directly to the GC Chairman. The Executive Committee members who

⁴³ See Miller & Martin Report at 6.

we interviewed acknowledged that this arrangement could be construed to be a use of ministry funds to pay for Zacharias's legal fees.

Another Executive Committee member told Guidepost that he or she thought that the board at large was not informed of the Executive Committee's decision to pay Zacharias a bonus to offset the loan he had received to pay the settlement to the Thompsons. According to our interviews, the Executive Committee decided to pay this bonus to Zacharias after conducting an industry compensation review, which suggested that Zacharias's bonus was consistent with the pay of his peers.

In addition to the intra-board breakdowns described above, a communications breakdown appears to have occurred between RZIM and the Board of Directors with respect to RZIM's statements about the financial arrangements for funding Zacharias's litigation costs and his settlement with the Thompsons. Based on what we learned in our interviews, while board members were consulted about the December 3, 2017, statement by RZIM regarding the allegations with Thompson, board members stated that they did not know of the specific language regarding the use of ministry monies until after the article was published. The Executive Committee members who we interviewed said that when Zacharias and RZIM released this statement in December 2017, they were concerned that it was false however we are unaware of any effort on the part of any board member to correct the record. At the time the statement was released, the Board of Directors had already passed a resolution approving the use of RZIM funds to pay for Zacharias's legal fees (in May 2017) and another resolution approving the loan of RZIM funds to Zacharias to pay for his settlement with the Thompsons (in November 2017) – a loan that was subsequently paid off by Zacharias likely from a bonus paid by ministry money to Zacharias in March 2018.⁴⁴

To be fair to the members of the board and the Executive Committee in particular, Guidepost acknowledges that some of the communication failures described above were exacerbated by Zacharias's obfuscation or direct lies to individual board members (according to those board members). It is clear that Zacharias also took advantage of the information silos among the board members as well as board members' varying degrees of personal access to Zacharias. Nevertheless, if defined communication pathways between the Executive Committee and the larger board had been more formal, it would have at least been more difficult for Zacharias to take advantage of his personal relationships and to deceive board members with his alleged lies to them. Accordingly, we recommend that RZIM consider amending its bylaws to further restrict the role of the Executive Committee and to

⁴⁴ See p. 36, *supra*.

add additional requirements to provide more information to the board-at large about a decision if the Executive Committee minutes do not provide this context.

Turning now from board process issues to the relationship between the RZIM Board of Directors and the ministry's staff, the Board of Directors' anonymity in the public domain has undermined the trust that some RZIM employees and the public have in the board. Within RZIM, it appears as if the identities of the board members are generally known; many RZIM staff have met with board members, and board members have on occasion participated in organizational meetings and town halls to answer questions from RZIM employees. For some of those employees, however, the Board of Directors' unwillingness to name themselves publicly – especially in light of the significant issues identified in the Miller & Martin Report and in subsequent media reports⁴⁵ – calls into question the Board of Directors' commitment to proper oversight of the organization. For these RZIM employees, the Board of Directors' anonymity vis-à-vis the general public represents a troubling lack of transparency, and therefore accountability, that causes them to distrust the board.

Two of the Executive Committee members who we interviewed (both longstanding members of the Board of Directors) expressly disagree with this assessment of transparency and trust. They consider themselves to be sufficiently known throughout the organization and among RZIM staff. Even assuming these board members are correct about their internal notoriety, it is the lack of transparency with respect to the public that causes concern for certain RZIM employees. And we note that all of the Executive Committee members who we interviewed requested to remain anonymous in this report, thereby continuing their public-facing secrecy – unlike RZIM's leaders, who agreed to be identified.

In our interviews with some current Executive Committee board members, they expressed a sincere concern for the ministry and a desire to see it be successful. In light of the distrust and concern expressed by RZIM personnel about the Board of Directors' oversight of the organization in the past and its ability to guide RZIM into the future, the RZIM Board of Directors needs to establish trust with the ministry's rank-and-file. We believe that RZIM could take several steps that would help to establish that necessary trust.

First, publicly identifying the members of the RZIM Board of Directors and their board roles and responsibilities would provide public accountability that is key to establishing that trust. If the ministry's board members are publicly known, they will be subject to the scrutiny of not only RZIM's staff, donors,

⁴⁵ For the RZIM employees who feel this way, the issues described in our report will likely deepen this distrust (assuming that this report is disclosed to RZIM personnel).

and members, but also of the media and the public at large; this greater accountability may serve as incentive to examine and debate any ministry-threatening issues that may arise in the future before making decisions more thoroughly.

Second, we believe that RZIM should consider re-instituting term limits for outside board members, regardless of reelection possibilities, for both overall board service and service on the board committees. As noted above, the organization eliminated term limits for board members in 2011, citing the desire to preserve institutional knowledge. However, that institutional knowledge now resides in board members who had longstanding personal relationships with Zacharias that influenced their actions in responding to the allegations against him in 2017 and other times. Because their personal relationships and institutional knowledge contributed to RZIM's mishandling of the Thompson allegations and other accusations, it will be difficult for these board members to regain the trust of RZIM employees.

Accordingly, we believe that in conjunction with re-instituting term limits for outside board members, RZIM should appoint new, diverse, independent individuals with relevant skills and experience to the RZIM Board of Directors. Ideally, these directors would not have any deep personal relationship with Zacharias or his family members. These new board members would bring different ideas and fresh perspectives to this oversight entity; they would also be able to establish trust with RZIM staff on their own terms, unencumbered by the past. Staggering the terms of board members would allow for some degree of continuity and institutional knowledge even as members are replaced.

Finally, and relatedly, we recommend that the RZIM Board of Directors institute a formal nomination process for prospective board members to ensure that any new outside board members are truly qualified and independent. At a minimum, this nomination process should require the Nominating Committee to compile certain standard information about a nominee's qualifications and interest for presentation to the larger board; the process should also require the Nominating Committee to approve the prospective member before forwarding the nomination to the entire board. To encourage robust discussion of board candidates, RZIM should expand the number of members of the Nominating Committee, which currently includes just one board member.

Like RZIM's organizational leadership, the RZIM Board of Directors faces the daunting challenge of regaining the trust it requires to lead the ministry into the future. It remains to be seen if the board is up to that challenge.

Work Environment

The defining characteristic of the work environment at RZIM's headquarters is the fact that it is a ministry. As such, RZIM relies upon biblical teachings to guide every aspect of its personnel and its workplace, as explained in more detail below and in the Policies and Procedures Assessment section. Those who work at RZIM share a common mission of Christian evangelism, which unites different ministry workplace cultures together across the globe and fosters a sense of unified purpose at the organization. Indeed, in interviews, current and former RZIM employees often referred to the people with whom they worked and the ministry as a whole as a "family."

We overwhelmingly heard from employees that they felt cared for by RZIM. They provided numerous examples of the ministry's attentiveness to non-work needs, such as gifts for special events, paid time off beyond ordinary vacation time when needed for personal or family reasons, personal counseling paid for by RZIM, and personal attention from the Zacharias family during both joyous and hard times, such as a marriage or a family death.

Of course, any organization can only act through its people, and almost universally, "the people" were described as the most positive thing about RZIM. Current and former RZIM employees also told us frequently that the organization was staffed by highly-skilled individuals with diverse talents, and often credited RZIM with promoting an environment that allowed them to flourish, benefitting both RZIM and its staff. When describing their sometimes-strong disagreements with other employees, interviewees tempered their description of the dispute by asserting they truly liked those with whom they disagreed and considered them to be friends. Even when discussing the shocking accusations that were made in late 2020 and investigated in 2021, when many former and current staffers began expressing doubts and concerns about RZIM, most of the RZIM employees still described the organization's people and work environment positively.

When conflicts arise between employees, RZIM takes a more personal approach to resolving those conflicts, consistent with its spiritual belief system. RZIM and other organizations comparable in size and structure typically employ a set of formal human resources tools and procedures to address conflicts among staff, particularly if the personnel involved in the conflict hold positions at different levels in the organizational hierarchy. While RZIM does have formal human resource tools in place, it encourages its employees to follow the principles of Matthew 18, a biblical chapter. These principles include employees resolving conflicts with each other one-on-one, through personal discussion and confrontation. While this can be an effective conflict-resolution method, this option is not always

practical in an organization in which there are various levels of staff or in an organization that some employees described as “conflict-adverse” (as discussed in more detail below).

From 2017 to 2019, RZIM leadership engaged a consultant specializing in reconciliation services and related training, Judy Dabler of Creative Conciliations, to help the ministry address ongoing internal conflicts, such as specific relationship fallouts among leadership and others. As part of her work, Dabler conducted a cultural assessment of the ministry’s US and UK operations; she also provided training on her “Peacemaking Principles” and “Boundaries” methodology to assist the ministry in improving its conflict-resolution capabilities. In addition, Dabler held conciliation sessions with staff and leadership in which she employed her various methods.

According to interviewees, one of the main conflict-resolution principles shared by Dabler is to “go to the source” directly with a grievance, without regard to any power imbalance that might exist between the parties in conflict. Again, as with the “Matthew 18” approach favored by RZIM, this form of conflict resolution may be a valuable approach in many instances, but when an unequal power dynamic exists – between a subordinate and a manager or executive, for example – requiring the subordinate to directly confront his or her organizational superiors about work or personal issues is problematic. In the course of our interviews, certain RZIM employees who participated in relationship or group conciliation meetings told us that they suffered significant negative reactions and effects as a result.⁴⁶ They felt Dabler’s methods of direct confrontation were used by others who participated in these conciliation meetings to belittle or bully them in retaliation for either disagreements or performance issues. Some individuals felt that there was no option on participating in these conciliation meetings and in fact, there was an unspoken requirement to do so.

We believe that implementing sound conflict-resolution tools in addition to personal discussions or confrontation, and employing and training employees on those other tools, is a must for any professional organization, including a Christian ministry. RZIM should clearly advise employees in the training and in communications there are other acceptable avenues to report grievances, including reporting concerns to Human Resources or anonymously through the NAVEX Global Hotline (described in more detail in the Policies and Procedures Assessment section, below) without fear of retaliation. RZIM leadership must recognize that the voluntary, direct-confrontation model may be effective in some situations, but it cannot be the only or even the preferred option. Also, with the use of any conciliation process, there should not be any requirements for participation.

⁴⁶ Guidepost was not tasked with a review of Dabler’s methods, nor are we well-suited to undertake such an evaluation. We understand that Dabler is currently conducting an internal review of her methods. She was cooperative with our investigative efforts.

Although conflict-resolution procedures existed at RZIM, some current and former RZIM employees described the organization as very conflict-adverse. One interviewee described it as an “everything is awesome” culture, meaning that RZIM employees displayed an outward enthusiasm for the ministry that at times did not reflect their inner doubts or concerns. This attitude appears to have grown out of the staff’s profound appreciation of, and even reverence for, the Zacharias family. Unfortunately, it also fostered an environment in which loyalty to Zacharias, his family, and RZIM was valued more than critical workplace values such as honesty and transparency, to the detriment of RZIM employees who dared to question the Zacharias family.

Some interviewees admitted that their careers at RZIM benefitted from close relationships with Zacharias family members. Some added, however, that despite those close relationships, disagreeing with the actions or decisions of a Zacharias family member could lead to being an outcast within RZIM, cut off from a meaningful role and influence. Some interviewees complained about the celebrity culture that surrounded Zacharias and the prizing of family loyalty above all else.

In addition to the foregoing problems that exist in the RZIM work environment, a new problem arose in the wake of the 2020 allegations about Zacharias’s involvement with local spas, massage therapists, and other women. After those allegations were publicized in the fall of 2020 and discussed thoroughly in the Miller & Martin Report released in February 2021, a few former and current RZIM staff members took to social media to air their grievances with the organization and specific individuals within its ranks. In other words, RZIM insiders were (finally) expressing their doubts and concerns about Zacharias’s actions and how they affected RZIM’s operations. Although a public airing of grievances can be an effective avenue to pursue organizational change and accountability, it can also lead to a fearful internal environment in which people are even more cautious about saying things out loud within the scope of professional discussions.

It appears as if these public accounts created a distrust within RZIM, which in turn has had a chilling effect on internal discussions of important issues. In interviewing current RZIM employees, we found that while people claimed that the organization was a positive environment, there was a great deal of personal distrust among the staff. In specific instances, we were provided volumes of email and texts from individuals we interviewed either implicating others within RZIM for either speaking up or for not speaking up. Some individuals provided us defensive information in the same form in an attempt to tell their side of the story regarding public disclosures and statements which named them. In fact, as we were writing this report, we have heard that individuals to whom we have specifically granted anonymity have been recording our conversations. While we have at times asked individuals not to

record our conversations for a variety of reasons, some of them legal, we have no doubt that some interviewees have ignored our request in an effort to promote specific narratives in the future if our report is publicly released. This is symptomatic of the pervasive lack of trust eating at the heart of RZIM.

Similarly, the fear of retaliation is a very real problem that also threatens the RZIM work environment. Many interviewees mentioned their genuine concerns about expressing any meaningful dissent or even just asking questions that could be perceived as challenging a position adopted by RZIM leadership, for fear of retaliation. When we asked interviewees if they had personally experienced retaliation, few could provide personal examples, but some did. We are not recounting those examples in this report because doing so would potentially reveal the identities of those who provided us with this information and each instance would require further investigation. While only a handful of employees had personally experienced retaliatory conduct, many interviewees were aware of accounts of retaliation against other individuals, some of which had reached the status of credible, accepted organizational folklore. For example, several employees told us about the senior leader (Ramsden) who was “sent to Siberia” by Zacharias after confronting him more than once about his traveling female massage therapist. Many interviewees also identified another senior leader who has allegedly retaliated against individuals who disagreed with him/her, but who has not been subject to any disciplinary action as a result of the alleged retaliation. Investigating the truth of these allegations was outside the scope of engagement, but this matter was brought to the attention of the CEO in the course of our work.

In any productive and healthy work environment, there has to be an ability to ask questions, have discussions and disagree without the fear of retaliation or the fear of public shaming. The current internal environment of RZIM does not lend itself to this.

Given this fear of retaliation, which appears to be pervasive even though only a few interviewees have personally experienced such conduct, RZIM should strengthen its anti-retaliation policy. As discussed in the Policies and Procedures Assessment section below, to assure employees that they will not be subject to retaliation if they raise genuine concerns about issues impacting the RZIM work environment or the ministry in general, the ministry could include language explaining that managers have the added responsibility of creating an open and supportive environment where employees feel comfortable asking questions, raising concerns, and reporting misconduct.

Finally, one situation described to us by several current and former RZIM managers highlights what is perhaps a less pervasive but still problematic aspect of the RZIM work environment – the failure of

RZIM (on occasion) to timely and equitably address policy violations or workplace behavior issues. According to several current and former RZIM managers, one employee regularly violated RZIM policies and was difficult to supervise successfully. This person traveled without authorization and chronically failed to submit travel expenses, often for months. When directed to take a generous paid leave due to work stress, the employee resisted for months. And when the individual finally took the compelled leave, he/she was deceptive about having permission to retain his/her RZIM cell phone while on leave. According to the interviewed managers, RZIM leadership including the current CEO and the employee's senior management never took any formal or decisive disciplinary action against this employee for these actions. To deter employees from engaging in a pattern of negative behavior, and to dissipate any inference of unengaged management or any appearance of favoritism, we believe that RZIM should address performance and personal integrity/behavior issues in a timely manner.

Communications

At RZIM (and indeed, at any organization of a certain size and structure), internal communications serve as the bridge between the organization's leaders and its employees. Pursuant to the BOD Open Letter and the Scope of Work Letter, Guidepost assessed the effectiveness and clarity of RZIM communications. As explained in detail in the discussion that follows, we found that RZIM staff have an overarching distrust of RZIM leadership communications because of leadership's record of previous misstatements and omissions of facts, particularly with respect to statements about Zacharias's litigation against the Thompsons, his involvement in spas and his abusive and harassing conduct toward massage therapists, and his academic and professional credentials.

As recounted above in the factual discussion of the various allegations against Zacharias, after allegations about Zacharias's inappropriate extramarital relationship with Thompson and his related federal racketeering lawsuit against the Thompsons blew up in November 2017 when communications between Zacharias and Lori Anne Thompson were leaked to the media, RZIM set up the Task Force to respond to the growing crisis. Despite its name, the Task Force did not investigate the accusations swirling around Zacharias and therefore it possessed very little factual information from which to craft appropriate and accurate messaging. Instead, the Task Force relied solely on Zacharias to provide truthful information that the Task Force could use to respond to the accusations. As the Task Force and its outside consultant sought to provide timely responses to questions from staff and donors, Zacharias provided little information, often citing the NDA as an excuse to avoid answering hard questions. When Zacharias acceded to the Task Force's request to hold an online global staff meeting to answer numerous and specific questions about the Thompson allegations, he misrepresented the facts.

While the Thompson allegations have never been fully investigated by RZIM, it is clear now that Zacharias did not tell the truth about certain aspects of his relationship with Thompson and his lawsuit against her and her husband. As a result, the Task Force released public statements in the names of Zacharias and RZIM that contained at least one significant misrepresentation – the claim that no ministry funds had been used to defend Zacharias in the Thompson matter. Many RZIM employees have since blamed RZIM’s senior leaders for providing inaccurate information and deliberately trying to cover up the actions of Zacharias; while it is true that those senior leaders at times provided inaccurate information to RZIM staff and the public, they had received that information directly from Zacharias and his legal counsel and communicated it in public statements, seemingly without any intent to cover up any malfeasance by Zacharias. He had deceived them as well.

However, many fault RZIM leadership for not pushing harder for the truth and instead simply accepting Zacharias’s representations about his relationship with Thompson. When some of those representations proved to be false, the level of trust that many employees had in RZIM leadership communications eroded dramatically, an erosion that continued when new allegations emerged in 2020 about Zacharias’s involvement in local spas, his misconduct with massage therapists, and his inappropriate, sexually-charged electronic communications with women. RZIM employees who we interviewed cited a pattern of inaccurate information, denials, defensiveness, and slow reactions on the part of RZIM to what in hindsight are understood to be clear and significant red flags.

RZIM employees cited several examples of inaccurate information provided by RZIM leadership in defense of Zacharias, including the false narrative that no ministry funds were used in connection with the Thompson matter; the initial RZIM leadership statement about the 2020 spa allegations, which claimed to be issued on behalf of RZIM as whole but did not include involve nor make aware many employees in leadership positions in any planning or subsequent publishing of the statement; the initial rejection by RZIM of the 2020 spa/massage therapist allegations before any formal investigation had been launched; and RZIM’s various statements about the validity of Zacharias’s academic and professional credentials.

In addition, we learned that certain RZIM employees believe that RZIM’s failure to develop a thoughtful, truthful communication strategy to address the Thompson allegations in 2017 and the spa/massage therapist allegations in 2020 left them confused and unprepared to respond to questions they received. To the extent that the Task Force had any cohesive, outward-facing communication strategy, any such strategy was not shared with RZIM employees outside the Task Force group. As a result, some felt they were unprepared to respond to any questions or requests for information.

In sum, as a result of the inaccurate statements released by RZIM leaders in defense of Zacharias in the past, there is a general hesitancy among RZIM employees now to trust RZIM communications. Many of the same leaders who communicated those misrepresentations about Zacharias in the past remain in senior leadership positions at RZIM today. To regain the trust of RZIM employees, those senior leaders must ensure that their communications are timely and rooted in the facts that are known – or should be known, with suitable investigation – to the organization at the time. If there is information that is uncertain or unknown, those caveats should be disclosed in the communication, with a pledge to provide updated information as it becomes available.

Financial Controls Assessment & Recommendations

While the BOD Open Letter and the Davis Update stated broadly that Guidepost would evaluate RZIM's finances, the Scope of Work Letter narrowed the scope of our review to the ministry's finances for the years 2017 to 2020. We have conducted a limited review of the financial records and internal controls in that time frame, focusing on the financial records relating to the Thompson litigation as well as certain RZIM charitable initiatives, including WSI, Scholars With a Dream ("SWAD"), and TOH. Our assessment of RZIM's finances is based on our interviews of finance personnel and our limited review of financial books and records for the fiscal years ended September 30, 2017 through September 30, 2020.

More specifically, the financial records that we reviewed included financial statements, general ledgers, accounts payable subsidiary ledgers, and selected paid invoice files. RZIM produced many of these records from its comprehensive enterprise resource planning ("ERP") system, which is largely based on Oracle PeopleSoft and Oracle Hyperion software applications. This integrated ERP software allows for greater efficiencies in the processing of transactions, and includes modules for general ledger, accounts payable, treasury, fixed assets, accounts receivable and billing, inventory, and human resources. Our review focused on the general ledger and accounts payable modules.

Generally speaking, our review of the financial books and records and testing of transactions did not disclose exceptions in the processing and reporting of transactions. Moreover, the finance personnel were qualified to perform their respective functions and demonstrated a commitment to safeguarding ministry assets and accurate financial reporting. In that regard, the finance team will consult with RZIM's outside accountants on matters of a complex nature and claims the outside accountants have not made any adjustments to RZIM's financials at the conclusion of their year-end audit for the past ten years.

During our discussions with RZIM finance personnel, they highlighted various aspects of RZIM's ERP software, including electronic, paperless approval of all transactions; banking and credit card integration; and real-time transaction transparency, with backup supporting documentation attached. In addition, they emphasized the fact that RZIM's ERP software was configured with audit trail and transaction date features that enhanced internal controls.

As discussed in more detail below, however, in the course of examining the financial transactions relating to the Thompson litigation, we discovered that RZIM maintains a "confidential file" within its finance department for sensitive financial matters. This file is not subject to the usual recordkeeping and approval processes that govern the payment of most invoices. Not only does this practice undermine the transparency and recordkeeping benefits of the ERP system touted by the finance personnel, it represents a loophole in RZIM's internal controls that could be exploited to the detriment of the ministry.

Payment of Zacharias's Legal Fees in 2017-2018 in Connection with Thompson Litigation

On May 1, 2017, the Executive Committee authorized the ministry to pay all legal fees in connection with RZ's litigation with the Thompson family. As set forth in the factual discussion above, the invoices for those legal fees were not submitted to RZIM's finance department for payment, as other invoices typically were. Instead, Zacharias's legal counsel sent the invoices to the GC Chairman, who in turn sent them to RZIM's CFO for payment upon her approval.

In our interviews with finance personnel, we learned that the Nixon Peabody invoices in the Thompson litigation were processed differently than a typical invoice and that those invoices were included in the "confidential file." RZIM's usual policies and procedures for the processing of accounts payable through PeopleSoft includes electronic, paperless approval for transactions, and storage of scanned copies of invoicing for recordkeeping and audit purposes. As described above, the RZIM finance department maintains a separate "confidential file" for transactions deemed to be sensitive in nature due to the services being rendered or the possible disclosure of personal data contained in the supporting documentation.

For transactions that are maintained in the confidential file, supporting documentation that contains confidential information is not uploaded or saved to PeopleSoft. Finance personnel stated that the confidential file is not limited to invoices for legal services; it may contain invoices from other

professional service firms, including public relations, as well as certain employee transactions that might reveal information of a personal nature. Significantly, the finance team's review of "confidential file" matters is limited to a verification of billing rates and extensions and excludes any review of the actual services performed, which is another departure from the typical accounts payable process.

From our interviews, since financial records relating to the Thompson litigation were maintained in the confidential file, we understand that the Nixon Peabody invoices for Zacharias's legal fees were not saved or uploaded to PeopleSoft. Based on our review of available documentation, it appears as the only supporting documents relating to the Thompson litigation in PeopleSoft are emails among the finance team about the payment instructions. The initial set of documents that we received from RZIM did not include any evidence of the requisite payment approvals or any indication that a more fulsome set of documents was available elsewhere for review. We later received copies of emails from finance personnel that confirmed that the invoices were approved by the GC Chairman (as described in the fact section, *supra*).

The confidential file in RZIM's finance department provides an avenue to circumvent RZIM's usual policies and procedures for approving and processing invoices for goods and services. There appears to be no policy statement that assigns responsibility for determining what is deemed confidential; although RZIM's CFO has stated that determination is made by personnel within the finance function, it is unclear who has the authority to make this decision and what criteria would be used to decide. Moreover, we are aware of no record listing the specific transactions or vendors determined to require this confidential treatment. The ability to designate certain transactions in this manner poses an undue risk of management override of controls, particularly in an organization in which management is afforded the level of deference shown to Zacharias and his family members.

Accordingly, we recommend that RZIM create and implement formal written policies and procedures for the finance department that address the treatment of confidential documents and any exceptions to the uploading of supporting documents to PeopleSoft. If an invoice or other document falls within a specified exception, the document should be redacted only to the degree necessary to protect the confidential information therein, and all authorizations for payment should remain clearly evident. These policies and procedures should require the identification of the individual(s) who have the authority to designate items as confidential.

Our review of the financial records relating to the Thompson litigation gives rise to another recommendation. As noted in the factual discussion of the arrangement to use ministry funds to cover Zacharias's legal fees, a RZIM donor made unrestricted donations to RZIM for the express purpose

of paying for the legal fees associated with Zacharias’s litigation against the Thompsons. In our view, donations that are earmarked to a specific purpose, such as the reimbursement of legal fees, should be designated as restricted funds and accounted for accordingly. If RZIM receives funds for a specific purpose which do not align with RZIM’s limitations established for restricted donations, RZIM must return such funds or seek consent from the donor to treat as unrestricted. Any such consent must be fully documented.

Scholarships and Grants

According to RZIM’s consolidated financial statements and accompanying notes, the ministry was engaged in various benevolent initiatives, including WSI and SWAD.⁴⁷ WSI “identifies and financially equips existing organizations aiding women and children at risk” and “provides individual scholarships to support education, healthcare, and basic needs,” while SWAD “facilitates the training of individuals toward doctorate degrees specializing in the distinctive teachings and written works of specific religions that challenge the Christian faith and culture.”⁴⁸ In addition, as described previously in this report, RZIM provided grants to individuals through TOH, which was purportedly a scholarship program.

To better understand the missions and operations of these initiatives, Guidepost requested governing documents and specific program materials for each program. We received materials responsive to our request for SWAD, but no governing documents were produced for WSI and TOH. With respect to TOH, the finance team was able to provide program documents, comprised of scholarship application forms and supporting documentation, for the fiscal years ended September 30, 2014 through September 30, 2016. This material was maintained by RZIM’s Program Manager for TOH and secured by finance upon her departure. We note that finance does not have an operational role in the scholarship programs and does not maintain program documents as a general rule. Finance’s role is limited to disbursing scholarship funds at the direction of the respective program managers. Program documents for TOH for 2017 and later years, as well as program documents for WSI and SWAD were not readily available for our review. Production of this material was delayed according to RZIM by difficulties in record retrieval and the availability of resources due to a recent workforce reduction.

Although we were unable to review any WSI documents and only had access to limited SWAD documents, we were able to glean some knowledge about these programs through our interviews.

⁴⁷ Neither SWAD nor WSI are currently functioning parts of RZIM.

⁴⁸ RZIM Notes to Financial Statements, September 30, 2017 and 2016

Interviewees described the administration of the WSI and SWAD programs as somewhat rigorous. In contrast, the TOH scholarships were more spontaneous in nature, and Zacharias himself decided who would receive TOH funds.

As mentioned above, RZIM provided us with TOH program documents for the fiscal years ended September 30, 2014, through September 30, 2016; specifically, we received TOH scholarship application forms and supporting documentation from these time periods.⁴⁹ In addition, we received a listing of TOH scholarships granted between 2015 and 2020. Our review of this listing disclosed that two individuals employed as massage therapists received TOH scholarships totaling \$39,886 to defray the cost of their rent, food, and utilities. In addition, another TOH grant recipient was awarded \$42,180 to pursue an education in culinary arts. Collectively, these three individuals received 25.2% of the \$325,683 in TOH scholarships awarded between 2015 and 2020.

Because the governing documents for TOH were not available for our review, we are unable to assess how these TOH scholarships align with any stated mission statement for this program. Moreover, the combined dollar amount granted to a handful of recipients, and in some instances, the longevity of their participation in the program, are unusual in relation to the activity noted for other participants in the program. According to the Miller & Martin Report, the woman who received TOH funds to attend culinary school was a massage therapist for Zacharias, as were the other massage therapists who received TOH money.⁵⁰ In our view, the TOH program operated with few checks and balances, and Zacharias was afforded wide latitude in granting scholarships when he should have been subject to greater scrutiny.

Accordingly, RZIM should strengthen its internal controls around any scholarship programs to ensure a segregation of duties in such programs. The ministry should review which RZIM personnel have the authority to review and approve scholarships and grants. In addition, RZIM's document retention policy should be modified and updated to include all future RZIM humanitarian initiatives. The policy should assign responsibility for the safekeeping of governing documents at appropriate levels within the organization and ensure a proper transitioning of files in the event of employee turnover.

⁴⁹ It appears as if the finance department only had these 2014-2016 TOH records because it took possession of them when the TOH program director left RZIM. It is possible that the RZIM finance department has additional TOH-related documents; finance personnel told us that certain TOH transactions that might reveal information of a personal nature could be maintained in the confidential file described in the preceding section.

⁵⁰ See Miller & Martin Report at 5.

Policies and Procedures Assessment

RZIM asked Guidepost to thoroughly review “the various policies and procedures of RZIM, including, but not limited to, those concerning abuse, harassment, conflict resolution and the filing of complaints with the Human Resources department of RZIM.”⁵¹ In addition, “[i]n sobering recognition of the severity of what has occurred and the importance of policy and cultural reform,” RZIM asked us “to examine any corrections that need to take place,”⁵² so that the ministry is best positioned to prevent future sexual abuse and harassment and other misconduct from occurring at RZIM.

Accordingly, we reviewed and evaluated the written policies and procedures describing the complaint handling, investigation, inquiry, and disciplinary processes for allegations involving sexual harassment and sexual misconduct, as well as those relating to an employee’s ability to report allegations anonymously without fear of retaliation. RZIM provided us with copies of the relevant policies, which are included in the “Conduct” section of the organization’s Personnel Manual, last revised on July 27, 2020. We also reviewed the RZIM policy relating to reports submitted to its global hotline (the “NAVEX Global Hotline”), as well as the ministry’s conflict of interest policy, both of which can also be found in the Personnel Manual.

We note that in this section, we are reviewing the adequacy of the policies and procedures only as written. Even if policies and procedures are adequate, they can only be effective in preventing abusive conduct and harassment if they are trained, followed and applied equally and fairly. The problems within RZIM were not due to the inadequacy of its policies and procedures, in our view. As discussed in the Cultural Assessment section, *supra*, RZIM failed to ensure that its policies and procedures were followed by and equally applied to RZIM personnel at all levels, including Zacharias and his family members. This unequal application of policies and procedures contributed to a culture within the ministry that permitted Zacharias to evade responsibility for his wrongdoing – to act as if the rules did not apply to him or his family – and discouraged employees from raising questions about Zacharias’s actions and explanations.

Policies and Procedures Relating to Sexual Harassment and Sexual Misconduct

For the reasons set forth below, after a thorough review, we believe that RZIM’s policies and procedures addressing the topics of sexual harassment and sexual misconduct are adequate. In our

⁵¹ Scope of Work Letter at 2 (“Policy Assessment”); see also BOD Open Letter, “Restitution Plan and Organizational Reform.”

⁵² BOD Open Letter, “Restitution Plan and Organizational Reform.”

view, certain aspects of these policies could be strengthened, and therefore, where appropriate, we offer suggestions or recommendations to that end.

For the most part, the descriptions of the policies in the discussion below are summaries of key points in those policies that are most germane to our analysis, with the most relevant language quoted verbatim when useful. Our summaries do not necessarily reflect the full content of the policies and procedures.

General Policies and Procedures

The introductory policies in the “Conduct” section of the Personnel Manual⁵³ set out general principles that support the more specific policies and procedures concerning the prevention of sexual harassment and sexual misconduct. These three policies – “Ethical and Moral Standards”, “Professionalism”, and “Employee Conduct and Work Rules”– inform employees that their conduct must always be guided by the Bible and explains that their conduct will be judged against the higher standard imposed by their Christian faith.

For example, the Ethical and Moral Standards policy provides that “[a]ll employees must also conform to the ethical and moral standards stated in scripture,” while the Employee Conduct and Work Rules policy reminds employees that “we look to the Bible for the most complete guideline as to appropriate behavior and conduct in all situations.” The Professionalism policy holds that because RZIM employees are stewards of the faith, they are held to higher standards than the public, and their “actions and words must always be guided by Biblical Mandates.”

The Professionalism policy also sets forth the process by which employees can raise questions with management if they have a concern about meeting the standard of conduct or if they feel another employee has potentially violated RZIM’s policies. Specifically, an employee is instructed to:

1. First, discuss any concern with your immediate supervisor. Very often, your supervisor is in the best position to handle your problem satisfactorily.
2. If you are not satisfied after you speak with your supervisor, or if you feel that you cannot speak to your supervisor, speak to the Director of Human Resources.

⁵³ RZIM Personnel Manual, dated July 27, 2020 contained the respected policies reviewed

3. If you are not satisfied after you speak with the Human Resources Director, or if you feel you cannot speak to the Director of Human Resources, speak to the Global Executive Director.

In addition, the Professionalism policy provides that RZIM will investigate and determine if the reported conduct is inconsistent with Biblical Mandates and/or violates this policy. If there is a violation, RZIM will take “prompt, appropriate remedial action” to address it.

While the Professionalism policy is adequate, it could be strengthened by adding a description of the ministry’s non-retaliation policy and specifically citing that policy. Including a reference to the employee’s ability to report potential violations anonymously through the NAVEX Global Hotline would also enhance the Professionalism policy. In our view, these additions could enable employees to more easily speak up and report offensive conduct, including sexual harassment and sexual misconduct.

Additionally, while the Professional policy provides a means for employees to report concerns to either management or through the NAVEX Global Hotline, the practice at RZIM is quite different. While the policy can be improved upon, it is the preference of management to pursue conflict resolution by personal discussion and confrontation consistent with the Biblical principles of Matthew 18. In spite of this, employees need to be familiar with and trained to all formal mechanisms which allow for the reporting and resolving of concerns within the organization.

Anti-Discrimination and Anti-Harassment (Including Sexual Harassment Policy)

RZIM’s Anti-Discrimination and Anti-Harassment policy provides that “all employees and their work environment should be free from all forms of harassment and intimidation.” The policy includes several examples of sexual harassment such as “unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual or gender-related nature.” In addition, the policy states that “RZIM does not, and will not permit employees to, engage in sexual harassment, or harassment based on race, color, sex, national origin, age, disability, or other status protected by Federal, state or local law, nor will it permit employees to be subjected to such behavior.”

The Anti-Discrimination and Anti-Harassment policy includes a procedure for an employee to report any concerns about harassment to his/her direct supervisor. If the employee is uncomfortable about reporting harassment allegations to his/her supervisor (for example, in a situation where the supervisor is the alleged harasser), or if the employee brought the complaint to the supervisor but believes that it

was improperly handled, the policy sets forth an alternative option to report harassment allegations to the Global CEO.

Finally, the Anti-Discrimination and Anti-Harassment policy notes that “no employee will be subjected to any form of retaliation for bringing such a complaint to management.” According to the policy, RZIM will conduct a prompt and thorough investigation of any claims of harassment and will take disciplinary action if the claims are substantiated and a policy violation has occurred, up to and including termination of the accused employee.

To strengthen this Anti-Harassment and Anti-Discrimination, RZIM may want to consider certain modifications. First, it could expand the list of examples of sexual harassment to include sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual’s body, sexual prowess, or sexual deficiencies; leering and catcalls; insulting or obscene comments or gestures; and display or circulation in the workplace of sexually-suggestive objects or pictures and other physical, verbal or visual conduct of a sexual nature. Second, RZIM should consider adding bullying to the list of forms of harassment and provide specific examples of what constitutes bullying.⁵⁴ Third, RZIM could add references to the NAVEX Global hotline and the ability of employees to anonymously report potential violations via the hotline.

As noted in the Cultural Assessment section above, many RZIM employees described their fear of retaliation if they criticize decisions made by RZIM leaders or managers or even simply ask questions that might be perceived as critical. To assure employees that they will not be subject to retaliation if they raise genuine concerns about issues impacting the RZIM work environment or the ministry in general, the ministry could include language explaining that managers have the added responsibility of creating an open and supportive environment where employees feel comfortable asking questions, raising concerns, and reporting misconduct. Finally, RZIM could require employees to report others involved in conduct in violation of this policy.

Sexual Abuse and Misconduct Prevention Policy

The ministry’s “Sexual Abuse and Misconduct Prevention” policy states that RZIM “prohibits and does not tolerate sexual abuse or misconduct in the workplace or during any organization-related activity.” The policy notes that “those reasonably suspected or believed to have committed sexual abuse or misconduct will be appropriately disciplined, up to and including termination of employment or

⁵⁴ During our investigation, we learned of a situation involving a former employee who resigned following an investigation finding that he had engaged in a pattern of bullying and aggressive behavior toward other employees.

membership, as well as criminally prosecuted.” Included in the Sexual Abuse and Misconduct Prevention policy is an extensive list of examples of prohibited conduct, some of which may also fall under the definition of sexual harassment.

Like the Anti-Discrimination and Anti-Harassment policy, the Sexual Abuse and Misconduct Prevention policy instructs an employee to first report any concerns about sexual abuse or misconduct to his/her direct supervisor, with the option to report the matter to the Global CEO if the employee is uncomfortable about going to the supervisor or if he/she was dissatisfied with the supervisor’s response to the complaint. The policy prominently notes that RZIM has a non-retaliation policy to protect employees who have filed a good-faith complaint. In addition, it asserts that RZIM is committed to following state and federal legal requirements for reporting allegations or incidents of sexual abuse or misconduct to appropriate law enforcement and child or adult protective services organizations.

The Sexual Abuse and Misconduct Prevention policy includes procedures to protect minors from potential abuse, noting that RZIM “strives that a minimum of two adult workers supervise or be in attendance with minors during organization-related activities . . . to avoid one-on-one interactions between adults and minors that are not easily observable by others.” The policy notes that “[i]f individual meetings with a minor must be held in an office, [adults must] keep the door open” and states that employees may “[o]nly conduct closed door meetings when another adult is put on notice of the meeting and the door remains unlocked.”

According to the Sexual Abuse and Misconduct Prevention policy, RZIM will promptly investigate to determine if sexual abuse or misconduct has occurred and “will take every reasonable measure to ensure that those named in the complaint of misconduct or are too closely associated with those involved in the complaint, will not be part of the investigative team.” With respect to investigations, we recommend that RZIM revise the policy to *ensure* that those named in the complaint or too closely associated with those involved in the complaint are not on the investigative team, to ensure the integrity and unbiased nature of the investigation. RZIM should review other policies regarding investigations so this practice is consistent with this recommendation. In addition, RZIM should also consider adding references to the NAVEX Global Hotline and the ability of employees to anonymously report potential violations via the hotline.

Computer and E-mail Usage Policy

RZIM’s “Computer and E-mail Usage” policy informs employees that computers, computer files, email accounts, and software furnished by the ministry is intended for business use. According to the policy,

“RZIM strives to maintain a workplace free of harassment and sensitive to the diversity of its employees,” and therefore prohibits “the use of computers and the e-mail system in ways that are disruptive, offensive to others, or harmful to morale.” The Computer and E-mail Usage policy explicitly prohibits “the display or transmission of sexually explicit images, messages, and cartoons” and also bans “ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.”

While this policy is adequate in its current form, RZIM should consider expanding it to cover mobile phones and other devices (such as iPads or other tablets) issued by the ministry. The organization could also explicitly state in the Computer and E-mail Usage policy that computers, other devices furnished by the ministry, and RZIM email accounts may not be used to view or store pornographic text or images. Furthermore, RZIM should consider explaining in the policy that it has the right to access RZIM email accounts, computers, and other devices issued by the ministry, and to monitor the use of these devices, including the accessing of social media and other websites and applications. In this same vein, RZIM could include language alerting employees that they have no expectation of privacy in connection with the use of RZIM email accounts, computers, or other devices furnished by the ministry.

Progressive Discipline Policy

RZIM has a policy of progressive discipline entitled “Progressive Discipline,” which means that the organization will follow stated escalating procedures when addressing most disciplinary problems. Specifically, “a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension with or without pay; and still another offense may then lead to termination of employment.” The policy explains, however, that “there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps.” There is not recommendation related to this policy.

Problem Resolution Policy

The “Problem Resolution” policy at RZIM encourages employees to present problems to their supervisors or the Director of Human Resources “[i]f a situation occurs when employees believe that a condition of employment or a decision affecting them is unjust or inequitable.” Pursuant to this policy, the supervisor or the Director of Human Resources reviews the problem, counsels the employee, and informs the employee about the proposed solution to the problem. If the employee is not satisfied with the resolution, he/she may present the problem in writing to the Global CEO, who will review the

problem, counsel the employee, and make the decision. The policy allows employees to discontinue the procedure at any step in the process.

As reported in the Cultural Assessment/Work Environment section of this report, RZIM encourages the application of the Biblical principle of Matthew 18 - personal discussion and confrontation between involved parties. While this may be an appropriate tool in conflict resolution, it cannot be relied upon especially in disagreements of different supervisory levels of employees. Additionally, if RZIM pursues conflict resolution through conciliation, the process should be entered into voluntarily by all parties and there should be no implied requirement for participation.

Suspected Misconduct and Dishonesty Policy

RZIM's "Suspected Misconduct and Dishonesty" states that "[i]t is the responsibility of every employee, supervisor, manager, and executive to immediately report suspected misconduct or dishonesty to the Global CEO." To assist employees in fulfilling this obligation, the policy lists various types of misconduct, including acts that violate the ministry's code of conduct; theft; misappropriation of assets; forgery; fraud; and other unlawful acts. The policy notes that RZIM has a non-retaliation policy to safeguard those who have made a good-faith report.

According to the Suspected Misconduct and Dishonesty policy, the Global CEO has lead responsibility for all investigations of this type and may request managers to assist in any investigations. In addition, the policy provides that the Global CEO may seek advice from outside counsel during the investigation relating to guidance about investigative steps, proposed disciplinary action, or anticipated litigation (among other things).

In our view, RZIM may want to provide greater detail in this policy about its investigation and decision-making procedures. For example, although the policy states that the Global CEO has primary responsibility for investigations, RZIM should consider explicitly identifying who will determine the scope of the investigation and the investigative steps to be taken (such as identifying witnesses to interview and documents to gather). In addition, the organization should consider requiring the drafting of an investigative report or memorandum at the conclusion of the investigation that summarizes the findings, as well as a recordkeeping requirement to retain all information gathered during the investigation (including interview notes and summaries and documents) for a certain period of time.

RZIM should further consider providing, at the outset, a description of the investigative and adjudication process, the individuals and decision-makers involved in that process, and the evidentiary

standard to be applied. The ministry may also want to include language about keeping the accused and the complainant informed during the investigation of the matter and notifying them about the result. These enhancements to the Suspected Misconduct and Dishonesty policy would help to ensure that the complainant and the accused employee believe that the process is thorough and transparent.

Global Hotline Policy

The “Integrity Action – NAVEX Global” policy encourages employees to report unethical, illegal, or unsafe activity to RZIM. To facilitate this, the policy directs employees to the NAVEX Global Hotline, which employees can use if they are uncomfortable reporting the unethical, illegal, or unsafe conduct to a manager or the Global CEO. The NAVEX Global Hotline allows employees to communicate their concerns anonymously 24 hours a day, by telephone, email, or an online form.

According to RZIM’s Director of Human Resources, RZIM has never received any complaints or tips through the NAVEX Global Hotline since it was established. We believe that increasing employee awareness of this confidential hotline through internal communications and highlighting its existence in relevant policies (as noted in the discussions of other policies, *supra*) would likely encourage more employees to report potential violations of RZIM’s Conduct policies and other policies.

Conflict of Interest Policy

RZIM’s “Conflict of Interest” policy defines actual and potential conflicts of interest and employees’ obligations to avoid both. Specifically, the policy explains that “[a]n actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of RZIM, Inc.’s ministry and business dealings.” All RZIM employees “have an obligation to conduct business in such a way that prohibits actual or potential conflicts of interest.”

The policy sets forth certain procedures that govern the disclosure of actual and potential conflicts of interest. Lower-ranking employees are required to disclose “to an officer of RZIM, Inc. as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.” Employees at the level of vice president or higher, as well as all employees in the Development Department, are required to complete a written conflict-of-interest report and to certify that the information provided in the report is true and complete.

During the course of our investigation, we observed that while certain individuals completed and submitted the conflict-of-interest forms as required, RZIM did not undertake any further work to

address the conflict or to document any remediation of the conflict. For example, Margie Zacharias was a member of the RZIM board and the spouse of Zacharias, the CEO, President, and Chairman. Although Margie Zacharias was recused from board discussions and decisions about certain issues relating to her husband, including the 2017 board discussion and decision to provide Zacharias with a \$260,000 loan, there was no documentation memorializing the limits of her participation due to her conflict. As noted in the Cultural Assessment discussion about the Board of Directors, board members told us that there was no formal process governing how to handle any conflicts of interest that were identified.

Accordingly, we believe that to strengthen its ability to enforce the Conflict-of-Interest policy when actual or potential conflicts are disclosed or discovered, RZIM should enhance its conflict-of-interest review and procedures. The organization should identify an individual who will be responsible for enforcing this policy, describe in the policy itself the steps to be taken when an employee discloses or RZIM becomes aware of an actual or potential conflict, and require that the review and resolution of the conflict be memorialized in a record to be maintained for a certain period of time.

Communications and Training About Sexual Harassment and Sexual Misconduct

According to the Director of Human Resources, RZIM has not provided *any* training to its staff on the topic of sexual harassment or sexual misconduct or about the ministry's related policies and procedures, nor has the organization disseminated any communications to its employees about these important issues, policies, and procedures. However, employees are required to sign an acknowledgement that they have reviewed both the Personnel Manual and specifically, the Sexual Abuse and Misconduct Policy contained therein.

We therefore recommend that RZIM periodically communicate and train staff about sexual harassment, abuse, and misconduct to demonstrate the ministry's commitment to prevent this improper and illegal behavior. The communications and training should encourage employees to report such violations and should highlight the availability of the NAVEX Global Hotline. The communications and training should also stress the ministry's non-retaliation policy. In addition, RZIM should consider creating and implementing a communications' plan to ensure that there is a disciplined cadence of communications about sexual abuse, harassment, and misconduct, as well as creating a written policy and procedure reflecting that training and communications about sexual harassment and sexual misconduct will occur periodically, with records of the training and communications maintained.

Finally, to gauge the effectiveness of the training and communications on these topics, RZIM may want to periodically survey staff to determine if they are comfortable speaking up generally and on the topic of sexual harassment and sexual misconduct.

Summary of Recommendations

For the sake of convenience, we list all of the recommendations that we have made in this report in one place, with a brief explanation of the findings or reasoning supporting each recommendation.

Cultural Recommendations

1. Organizational Leadership – RZIM Leadership Team: RZIM should reassess the current organization leadership structure and personnel, given that the current leaders are the same individuals who participated substantially in RZIM's mishandling of the allegations against Zacharias and the resulting ministry crises of 2017-2021.
2. Organizational Leadership – RZIM Leadership Team: As part of this reassessment, RZIM should consider naming leaders who are focused and professionally-skilled individuals with management experience that complements their Christian beliefs. Having a professional and focused management team that makes well-informed and collaborative decisions is imperative for any global organization, and naming leaders who also serve as Speakers to senior leadership positions may not best serve RZIM going forward.
3. Organizational Leadership – RZIM Leadership Team: RZIM should define and communicate the roles and responsibilities of its leaders, to provide clarity to staff, partners, donors, and the board and to eliminate any confusion as to who is in charge now and going forward.
4. Organizational Leadership – Board of Directors: RZIM should consider publicly identifying the members of the RZIM Board of Directors and their board roles and responsibilities to provide public accountability that is key to establishing that trust. If the ministry's board members are publicly known, they will be subject to the scrutiny of not only RZIM's staff, donors, and members, but also of the media and the public at large; this greater accountability may serve as incentive to examine and debate any ministry-threatening issues that may arise in the future before making decisions more thoroughly.
5. Organizational Leadership – Board of Directors: RZIM should consider re-instituting term limits for outside board members, for both overall board service (perhaps longer than the terms on

a typical board) and service on the Executive Committee. As noted above, we understand that the organization eliminated term limits for board members in 2011, citing the desire to preserve institutional knowledge. However, that institutional knowledge now resides in board members who had longstanding personal relationships with Zacharias that influenced their actions in responding to the allegations against him in 2017 and other times. Because their personal relationships and institutional knowledge contributed to RZIM's mishandling of the Thompson allegations and other accusations, it will be difficult for these board members to regain the trust of RZIM employees.

6. Organizational Leadership – Board of Directors: RZIM should appoint new, diverse, independent individuals with relevant skills and experience to the RZIM Board of Directors. Ideally, these directors would not have any deep personal relationship with Zacharias or his family members. These new board members would bring different ideas and fresh perspectives to this oversight entity; they would also be able to establish trust with RZIM staff on their own terms, unencumbered by the past. Staggering the terms of board members would allow for some degree of continuity and institutional knowledge even as members are replaced.
7. Organizational Leadership – Board of Directors: The RZIM Board of Directors should institute a formal nomination process for prospective board members, to ensure that any new outside board members are truly qualified and independent. At a minimum, this nomination process should require the Nominating Committee to compile certain standard information about a nominee's qualifications and interest for presentation to the larger board; the process should also require the Nominating Committee to approve the prospective member before forwarding the nomination to the entire board. To encourage robust discussion of board candidates, RZIM should expand the number of members of the Nominating Committee, which currently includes just one board member.
8. Organizational Leadership – Board of Directors: With respect to intra-board communications, we have suggested further limiting the role of the Executive Committee and documenting additional detail around the communication of Executive Committee decisions to the wider board. With respect to communications between the Board of Directors and RZIM, we suggest future board meetings become less sided, i.e. less about simply the senior level staff's reports to the board. We also believe our recommendations around transparency as previously discussed will help improve communications between the Board of Directors and RZIM.

9. RZIM Work Environment: If RZIM intends to use a direct-confrontation model (such as the Matthew 18 approach or the methods employed by Dabler) in its conflict-resolution training and procedures going forward, it should clearly advise employees in the training and in communications that participation is voluntary and that there are other acceptable avenues to report grievances, including reporting concerns to Human Resources or anonymously through the NAVEX Global Hotline without fear of retaliation.
10. RZIM Work Environment: To deter employees from engaging in a pattern of negative behavior, and to dissipate any inference of unengaged management or any appearance of favoritism, we believe that RZIM should address performance and personal integrity/behavior issues in a timely manner.

Financial Controls Recommendations

1. Confidential File: With regard to the “confidential file” that exists within RZIM’s finance department, we recommend that RZIM create and implement formal written policies and procedures for the finance department that address the treatment of confidential documents and any exceptions to the uploading of supporting documents to PeopleSoft. If an invoice or other document falls within a specified exception, the document should be redacted only to the degree necessary to protect the confidential information therein, and all authorizations for payment should remain clearly evident.
2. Confidential File: The policies and procedures related to the confidential file should require the identification of the individual(s) who have the authority to designate items as confidential.
3. Donations: Donations that are earmarked to a specific purpose, such as the reimbursement of legal fees, should be designated as restricted funds and accounted for accordingly. If RZIM receives funds for a specific purpose which do not align with RZIM’s limitations established for restricted donations, RZIM must return such funds or seek consent from the donor to treat as unrestricted. Any such consent must be fully documented.
4. Scholarships and Grants: RZIM should strengthen its internal controls around any scholarship programs to ensure a segregation of duties in such programs. The ministry should review which RZIM personnel have the authority to review and approve scholarships and grants.
5. Scholarships and Grants: RZIM’s document retention policy should be modified and updated to include all future RZIM humanitarian initiatives. The policy should assign responsibility for

the safekeeping of governing documents at appropriate levels within the organization and ensure a proper transitioning of files in the event of employee turnover.

Policies and Procedures Recommendations

1. Professionalism Policy: While the Professionalism policy is adequate, it could be strengthened by adding a description of the ministry's non-retaliation policy and specifically citing that policy. Including a reference to the employee's ability to report potential violations anonymously through RZIM's Global Hotline would also enhance the Professionalism policy. In our view, these additions could encourage employees to speak up and report offensive conduct, including sexual harassment and sexual misconduct more easily.
2. Anti-Discrimination and Anti-Harassment Policy: To strengthen its Anti-Discrimination and Anti-Harassment policy, RZIM may want to consider certain modifications. First, it could expand the list of examples of sexual harassment to include sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess, or sexual deficiencies; leering and catcalls; insulting or obscene comments or gestures; and display or circulation in the workplace of sexually-suggestive objects or pictures and other physical, verbal or visual conduct of a sexual nature. Second, RZIM should consider adding bullying to the list of forms of harassment and provide specific examples of what constitutes bullying. Third, RZIM could add references to the NAVEX Global Hotline and the ability of employees to anonymously report potential violations via the hotline. Fourth, the ministry could include language explaining that managers have the added responsibility of creating an open and supportive environment where employees feel comfortable asking questions, raising concerns, and reporting misconduct. Finally, RZIM could require employees to report others involved in conduct in violation of this policy.
3. Sexual Abuse and Misconduct Prevention Policy: With respect to investigations, we recommend that RZIM revise the policy to ensure that those named in the complaint or too closely associated with those involved in the complaint are not on the investigative team, to ensure the integrity and unbiased nature of the investigation. RZIM should review other policies regarding investigations, so this practice is consistent with this recommendation. In addition, RZIM should also consider adding references to the NAVEX Global Hotline and the ability of employees to anonymously report potential violations via the hotline.
4. Computer and E-Mail Usage Policy: RZIM should consider expanding this policy to cover mobile phones and other devices (such as iPads or other tablets) issued by the ministry. The

organization could also explicitly state that computers, other devices furnished by the ministry, and RZIM email accounts may not be used to view or store pornographic text or images. Furthermore, RZIM should consider explaining in the policy that it has the right to access RZIM email accounts, computers, and other devices issued by the ministry, and to monitor the use of these devices, including the accessing of social media and other websites and applications. In this same vein, RZIM could include language alerting employees that they have no expectation of privacy in connection with the use of RZIM email accounts, computers, or other devices furnished by the ministry.

5. Global Hotline Policy: Increasing employee awareness of this confidential hotline through internal communications and highlighting its existence in relevant policies (as noted in the discussions of other policies, *supra*) would likely encourage more employees to report potential violations of the RZIM's Conduct policies and other policies.
6. Conflict of Interest Policy: RZIM should enhance its conflict-of-interest review and procedures. The organization should identify an individual who will be responsible for enforcing this policy, describe in the policy itself the steps to be taken when an employee or board member discloses or RZIM becomes aware of an actual or potential conflict, and require that the review and resolution of the conflict be memorialized in a record to be maintained for a certain period of time.
7. Communication and Training About Sexual Abuse, Harassment, and Misconduct: RZIM should periodically communicate and train staff about sexual harassment, abuse, and misconduct, to demonstrate the ministry's commitment to prevent this improper and illegal behavior. The communications and training should encourage employees to report such violations and should highlight the availability of the NAVEX Global Hotline. The communications and training should also stress the ministry's non-retaliation policy. In addition, RZIM should consider creating and implementing a communications plan to ensure that there is a disciplined cadence of communications about sexual abuse, harassment, and misconduct, as well as creating a written policy and procedure reflecting that training and communications about sexual harassment and sexual misconduct will occur periodically, with records of the training and communications maintained. Finally, to gauge the effectiveness of the training and communications on these topics, RZIM may want to periodically survey staff to determine if they are comfortable speaking up generally and on the topic of sexual harassment and sexual misconduct.

Conclusion

Unfortunately, RZIM has suffered critical blows to its credibility not only due to the deception on behalf of its founder Zacharias relative to his personal integrity issues, but also due to a lack of transparent and accurate communication, skilled management, appropriate and independent board oversight, and now a significant lack of confidence and trust amongst the workforce itself. Indeed, we are aware of a number of former RZIM staffers, some of whom held significant positions in the US and internationally, who issued letters and other communications, some strongly criticizing RZIM leadership and specific leaders by name. These letters, regardless of their intent, have contributed significantly to what is now an almost pervasive distrust among the remaining workforce. Nonetheless, in spite of the loss of confidence and credibility both internally and externally, there continues to be support for the ministry's work and appreciation for the past efforts of RZIM. The challenge will be in determining how and even if the ministry can continue under such a significant weight.