

# **Final Report on Project VetCare, Inc.**

## **Background**

This report describes the events that have taken place since August 24, 2017, when the Charitable Trusts Unit of the Attorney General's Office issued its [Preliminary Report on Project VetCare, Inc.](#) That report explained how the Charitable Trusts Unit began its investigation in response to a report that the executive director of Project VetCare (PVC), Danielle Goodwin, as well as her husband, Gavin Goodwin, a member of the PVC board of directors, had used corporate funds for home and other personal expenses.

The Director of Charitable Trusts (Director) asked the PVC board of directors to investigate the transactions and particularly Danielle Goodwin's role with respect to them. A majority of the board of directors voted at a meeting on May 19, 2016, not to take action. The next day, the dissenting directors resigned their positions and reported what had transpired. As a result, the Director filed a lawsuit against the remaining directors, including Danielle Goodwin, on June 15, 2016. The court removed the remaining directors from office and appointed a receiver, John A. Gilbert.

With the assistance of Jay Simms, CPA, Mr. Gilbert reviewed the accounting and bank records of PVC. While poorly kept, the records revealed a number of transactions that benefited some members of the board of directors, and especially Danielle Goodwin and her family.

In the context of the lawsuit, the Director negotiated cash settlements with several individuals connected with PVC. Mr. Gilbert assembled and sold the remaining assets of PVC, including two parcels of real estate. Those activities together generated the assets to make the initial distributions for charitable purposes, described below.

## **Danielle Goodwin Criminal Prosecution**

The Office of the Grafton County Attorney conducted its own investigation into the actions of the individuals connected with PVC. As a result, Danielle Goodwin was arrested on August 30, 2017, and charged with theft from PVC. On August 29, 2018, Danielle Goodwin pled guilty to that theft and was sentenced to state prison for 3 ½ to 7 years, stand committed, and ordered to pay restitution of \$99,500. Danielle Goodwin was released from the New Hampshire Women's Prison on December 24, 2020.

## **Initial Distribution of PVC Funds**

The Director solicited requests for proposals from charitable organizations as to how they could use the PVC assets to provide services for veterans in the Upper Valley. As a result, 22 organizations responded, and the New Hampshire Charitable Foundation<sup>1</sup> reviewed each of the proposals.

Based upon that process, the Director recommended to the court that the first \$20,000 of PVC assets be paid to the Disabled American Veterans (DAV) toward the purchase of a new passenger van to transport Upper Valley veterans for medical appointments, including to the White River Junction VA Medical Center. The Director recommended that the balance of PVC

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<sup>1</sup> The Charitable Foundation has considerable expertise in evaluating grant proposals, and generously offered its services without charge.

assets be distributed to the Veterans Count program of Easter Seals of New Hampshire and Vermont, to be used for services helping veterans in the Upper Valley. The court approved these proposals by its order dated December 19, 2017.

Following the court order, the DAV received its \$20,000 distribution. In turn, it purchased the passenger van, which is being used for veteran transport to medical appointments. Attached is a photo showing the van with DAV volunteers.

Through July 2020, Easter Seals Veterans Count received \$195,983.08 and used the funds to support its services in the Upper Valley. Attached is a photo showing Veterans Count outreach in the area.

### **Final Distribution of PVC Funds**

In addition to the payments described above, Danielle Goodwin reached an agreement in 2017 with the Director to pay \$90,000 to PVC upon the sale of her home at 4 Kingsford Road in Hanover. The Director signed on to that settlement amount based upon Danielle Goodwin's sworn affidavit as to the value of her assets, including the equity available from 4 Kingsford Road. But after Danielle and Gavin Goodwin listed that property for sale at a much higher price, the Director reopened the settlement and obtained a real estate attachment on the property.

The sale of the 4 Kingsford Road property closed on September 9, 2020. The parties then reached a final settlement, approved by the court on December 14, 2020, to apply much of the closing proceeds to a further restitution payment. The Veterans Count program of Easter Seals will receive an additional payment of \$200,000 (for a total distribution of \$395,983.08 to Easter Seals) and the Charitable Trusts Unit will receive a payment of \$10,000 as a civil penalty assessed pursuant to RSA 7:28, II(d). These additional payments also satisfy Danielle Goodwin's \$99,500 criminal case restitution requirement.

### **Conclusion**

This case illustrates what can go wrong with a worthwhile charitable organization having neither good internal controls nor consistent oversight from the board of directors. The following list describes many of the failures of PVC to follow best practices and, in some cases, to obey the law:

- Danielle Goodwin as executive director of PVC used the organization's bank account to pay for personal and household expenses, as well as to make gifts to her children.
- The board of directors of PVC apparently had no knowledge of Danielle Goodwin's activities until the spring of 2016, indicating that the organization did not have adequate internal controls. These controls should have included procedures to separate bookkeeping tasks, reconcile bank statements, restrict credit and debit card usage, protect cash, and review financial performance and expenditures.
- Once confronted with evidence of Danielle Goodwin's theft, a majority of the board of directors refused to suspend her from work, or to hire an attorney and accountant to investigate the scope of the problem.
- Three directors received financial benefits from PVC without the approval of disinterested directors and in violation of the requirements of RSA 7:19-a.

Veterans deserve our respect and support. Organizations serving veterans cannot fulfill their purpose unless directors and officers fully comply with their duties. The Attorney General through the Charitable Trusts Unit closely monitors veterans charities to make sure that they are properly performing their vitally important missions.

The Charitable Trusts Unit offers a number of resources for charitable organizations and their directors. They may be found on its website: [www.doj.nh.gov/charitable-trusts](http://www.doj.nh.gov/charitable-trusts) or by contacting the Charitable Trusts Unit via telephone (603)-271-3591 or email [charitabletrusts2@doj.nh.gov](mailto:charitabletrusts2@doj.nh.gov).

There are many other resources available to charitable organizations, including from the New Hampshire Center for Nonprofits, [www.nhnonprofits.org](http://www.nhnonprofits.org).

With the resolution of the Charitable Trusts Unit investigation, the important work begun by PVC continues in the Upper Valley. Through its efforts, the Charitable Trusts Unit recovered a total of \$415,983.08 that has been distributed for veterans projects in the region. As a result, those who served our nation will continue to receive the care that they deserve.



