Image# 201805299113623414

05/29/2018 21 : 17

PAGE 1/2

A=G79@@5B9CIGH9LH"fl97:cfa -- Ł

NAME OF COMMITTEE (In Full) MEGAPHONE

FEC IDENTIFICATION NUMBER C00569517

Mailing Address PO BOX 341028

City AUSTIN State ZIP Code TX 78734

VIA ELECTRONIC FILING Federal Election Commission Attn: Don Michael 999 E Street N.W. Washington, D.C. 20004

RE: Committee C00569517 RFAI dated April 25, 2018

Reference: Amended Year-End Report (12/1/2017 - 12/31/2017), Received 02/20/2018

Dear Mr. Michael:

This statement is in response to the Request for Additional Information, dated April 25, 2018, ('RFAI') regarding the Committee's Amended Year-End Report ('YE Report'), the offset for \$54,000 reported on Schedule A on Line 15 from The Gober Group in comparison to the total disbursements of '\$39,102.44 paid to the entity.'

At the outset, please note that the total payments reported as made to The Gober Group as of December 31, 2017, is \$39,192.44, not \$39,102.44 as referenced in the RFAI. The total \$39,192.44 is comprised of disbursements reported as paid to The Gober Group issued on May 22, 2017, totaling \$29,142.94 and on August 16, 2017, totaling \$10,049.50. This response uses the total \$39,192.44.

As of December 31, 2015, the committee owed Gober Hilgers \$24,857.06 for all legal services performed on or before December 31, 2015. Effective January 1, 2016, Gober Hilgers and these associated debts were acquired by and merged into The Gober Group. Simply put, Gober Hilgers began operating as The Gober Group in 2016.

On May 22, 2017, the committee issued a payment to the Gober Hilgers in the amount of \$24,857.06 for legal expenses dating back to 2014, and that disbursement was reported as a payment to Gober Hilgers on the committee's 2017 June Monthly Report ('June Monthly'). Although Gober Hilgers began operating as The Gober Group in 2016, as explained above, the disbursement was reported in this manner because Gober Hilgers was the name listed as the debt holder on the committee's FEC reports.

That same day, the committee also made a \$29,142.94 to The Gober Group.

The functionality of the FEC Filing software requires a transaction entry pattern where a single disbursement is entered for each debt transaction previously reported on Schedule D. Consequently, twenty-one disbursements transactions were entered totaling \$54,000, against thirteen records of debt owed to Gober Hilgers and against eight records of debt owed to The Gober Group. The committee, however, did not issue twenty-one checks; instead, it issued a single payment of \$54,000 to The Gober Group on May 22, 2017.

When the \$54,000 payment was reversed, as a matter of accuracy, it was reported on Schedule A, Line 15 on the YE Report as a single transaction from The Gober Group (although, as explained above, Gober Hilgers began operating as The Gober Group in 2016). The committee believes this method of reporting is superior in accuracy compared to listing twenty-one separate offsets, including thirteen transactions to Gober Hilgers, an entity no longer operating under its previous name.

In addition, on the YE Report, the committee reported the 'revived' debt totaling \$54,000 on Schedule D, and, again, as a matter of accuracy, reflected the debt as owed to The Gober Group (since Gober Hilgers began operating as The Gober Group in 2016).

It should be noted that the payments made to The Gober Group as reported on the 2017 September Monthly Report totaling \$10,049.50 on August 15, 2017, were not reversed and are not factored into these calculations regarding the \$54,000

Image# 201805299113623415 05/29/2018 21 : 17

A=G79@@5B9CIGH9LH"fl97:cfa -- Ł

PAGE 2 / 2

NAME OF COMMITTEE (In Full) MEGAPHONE

FEC IDENTIFICATION NUMBER C00569517

Mailing Address PO BOX 341028

City AUSTIN State ZIP Code TX 78734

offset reported on Schedule A, Line 15 on the YE Report, the subject of the RFAI.

I hope this statement provides an adequate response to the Commission's Request for Additional Information. Please do not hesitate to contact me if you have any questions.

Sincerely, Luke McAlpin Treasurer