



National Law Enforcement Telecommunication System

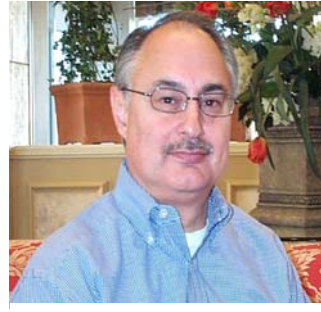


2003 Annual Report





Board of Directors



President
Larry Grund



Executive Director
Steve Correll

NLETS Partners:

In 2003 the National Law Enforcement Telecommunication System completed another important leg in our collective journey to improve our infrastructure, secure our data and systems, enhance our information sharing capability, strengthen our organization and map our strategic path for the future. It was a productive year with many successes.

As efforts continue in multiple venues at the federal level to create integrated justice systems, NLETS has a seat at the table with opportunity to enhance information sharing for all justice partners in North America. NLETS continues to be the preeminent network for criminal justice sharing in America. With our membership and connections to every corner of the continent, we are the largest conduit for the sharing of sensitive but unclassified data for the justice world.

We have the technology and the ability to meet the increasing growth and the need of our expanding community. The

recently completed and unanimously adopted NLETS Strategic Plan clearly indicates that NLETS is prepared to meet the challenges set before us to provide and expand our services. Our leadership has encouraged and embraced the adoption of the newest Internet technologies such as XML and Webservices. We do this while continuing to service our legacy technologies at the same time we perform data transformations between protocols. This flexibility and “can do” attitude has placed us at the head of the pack of international justice information brokers.

With the difficult financial times that the membership is experiencing, it is indicative of the strength of our users that NLETS sees itself in a financially and technically robust position as we leave 2003 and enter 2004. The leadership that we can provide in our ability to meet the technical challenges to facilitate improved information sharing for the entire justice community has never been more important than it is today. This annual report is a brief sampling of the accomplishments of 2003, along with information regarding our membership, friends and family.

2003 Highlights

During 2003 NLETS continued to improve its technology in order to better serve America's justice information sharing needs. While NLETS embraces the latest national standards being developed in the justice community, we will continue to be backward compatible – meeting the needs of our users.

System Upgrade/Security

In 2003 NLETS completed a project to upgrade all user network connections to fractional T1 private circuits. Due to response time and guaranteed message delivery requirements, there has never been any Internet bandwidth utilized by NLETS as the safety of the men and women of law enforcement on the roadside is paramount. Every router was upgraded and all data is encrypted between NLETS and the user interface using virtual private network (VPN) technology over the private leased lines. In 2003 NLETS also converted to Asynchronous Transfer Mode (ATM) for efficiency and cost effectiveness for all connections coming into our main operations center.

XML/Webservices

In 2003 we leveraged our successes of 2002 in our ability to transform data sets from NLETS legacy formats to the JXDDS XML specification. NLETS was successful in obtaining project specific funding assistance from the Department of Justice to enable us to continue our important work in supporting internet protocols so important for enhanced information sharing for the justice community.



Much work is still left to be done in this area but at the end of 2003 NLETS was supporting XML data formats for those states that were XML capable, while performing data transformations to and from XML for legacy states.

Collaboration between AAMVA and NLETS for Drivers License Exchange (CANDLE)

Over 24 million transactions each month are run through NLETS for the specific purpose of checking interstate motor vehicle registrations and driver history records.



Since the 1960's there has always been the need for users of the drivers records to decipher the myriad of codes and meanings in the records due to each states unique response. In 2002 while NLETS and AAMVA participated in the XML reconciliation project it became apparent that there was a possible solution using XML. NLETS was successful in obtaining

project specific funding assistance from the Department of Justice to enable NLETS to work in partnership with AAMVA to show that driver license responses can be standardized using XML. This effort was begun in 2003 and 2004 will see the results.

Government Services Administration and Federal Motor Vehicles Registration File Access

From the beginning of time access to federal motor vehicle registration information has been a fickle process. Some of us had “800” numbers to call, some had a friend they could call, some of us knew someone on a nearby military base. In 2003 conversations began between NLETS and the GSA about automating this access. By June of 2003 the access was complete, and the justice community of North America had access to most of the federal motor vehicle registrations, with more being added regularly.



By mid 2004 all federal plates should be accessible via NLETS for this information, and while it might not be the most exciting new feature of NLETS, it is one that may mean more in the day to day scheme of policing America than any other accomplishment of 2003.

NLETS/RISS

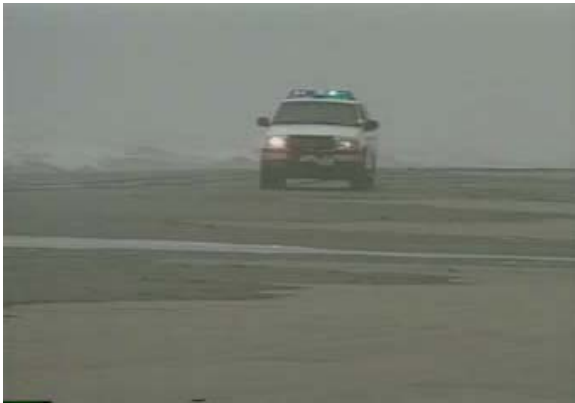
Some partnerships are so obvious that they take a while to see. NLETS and RISS serve the same community; as a matter of fact the RISS community is a subset of the NLETS community. NLETS has extensive connectivity and infrastructure that is created and maintained specifically for this justice community.



Meetings occurred in 2003 between our two organizations and a partnership was formed, approved by both the Boards of NLETS and RISS. Private and secure network connections and hardware were installed and immediately leveraged for efforts such as the DEA’s National Virtual Pointer System. This partnership is still in its infancy with so much more to come in efficiency and enhancing access to mission critical information for the justice world. In 2003 the important first step of trust and recognized benefit took place. In 2004 we shall see this partnership grow and flourish.

National Weather Service (NWS) Project

Every state has an interface to the NWS for weather related alerts to be sent to law enforcement within affected geographic locations. In 2003 a partnership was formed between NLETS and the NWS to streamline this process by utilizing the NLETS private and secure network to pass the NWS data to the states. Ultimately over fifty satellite dishes sitting on top of over fifty buildings across the U.S. will become obsolete as this project comes to fruition. Users will have a browser interface to the NWS in Chantilly, VA, to customize the data that they receive via NLETS while losing one additional interface that requires maintenance during resource scarce times.



Other benefits include enhanced access to media outlets via the NWS for use for public notification/alerts such as Amber Alerts. 2004 will see substantial continued progress in this project.

NLETS Usage

The use of NLETS continues to grow steadily. In 1993 the users of NLETS conducted 260 million transactions while in 2003, one decade later, users performed 424 million transactions for a 63% increase in overall traffic. The number of devices accessing NLETS continues to grow steadily while the division between terrestrial devices and wireless has changed dramatically. NLETS conducts a thorough

“terminal survey” of each user on an annual basis.



In 1993 there were a total of 126,505 devices on the NLETS system, and of that number, 27,799 were wireless devices or roughly 22% of that years total. In 2003 there were 441,873 total devices (not including Canada) with 163,579 of these devices being wireless or roughly 37%. Total growth of all devices between 1993 and 2003 was 349%, with wireless growing 588% during the same ten year period.

A value added network provider

In 2003 NLETS brought together the justice vendor community and posed to them this question: “If you could utilize NLETS bandwidth as part of an offering to the justice community, how would you use that bandwidth?” The response from the community was positive and immediate. After six months of pilot projects the first Strategic Partner, Datamaxx was contracted to utilize NLETS infrastructure to pass wireless transactions serving the justice community. The final result is better end to end service for justice practitioners, improved security, increased controls and lower costs. Several other industry partners are nearing completion of their pilot efforts and the NLETS Technical committee and Board will review the results to determine appropriateness in 2004. NLETS is proud to provide this expanded service to the justice world.

NLETS Representative Transitions

Each year NLETS representatives retire or move on to other endeavors or positions. We are sad to see them leave but at the same time happy to welcome their replacements. Following is a list of the NLETS representatives that have left and their replacements.

NEW	OLD	AGENCY	NEW	OLD	AGENCY
Jeff Matthews	Isaac Kervin	AL	Kevin Stukenholtz	John Shelton	NE
Audrey Wilkens	Mike Igoe	CO	Bill Place	Russ Dunfee	NJ
John Lowry	Joan Lewis	DS	Mark Gage	Jason Thomas	NW
William Bonk	Larry Phelps	FP	David Yandell	Paul Regimbal	OR
Steven Bova	Bob McNeely	IL	Michael Nagurny	Rodney Ditzler	PA
Daniel Meek	Andre' Clark	IN	Allison Davis	Carrie Finch	SS
Mark Kahanic	Carol Chasse	LE	June Still	David Bolme	TN

Meetings Schedule

DATE	DESCRIPTION	LOCATION	ATTENDED BY
January 14-15, 2003	NLETS Executive Steering Committee	Phoenix, AZ	
January 16-17, 2003	NLETS TOC Meeting	Phoenix, AZ	
January 21, 2003	Global Executive Steering Committee	Dallas, TX	Steve Correll
January 27, 2003	South Carolina Users Group	Myrtle Beach, SC	Steve Correll
January 31, 2003	Global Security Working Group	Washington, DC	Steve Correll
February 17-19, 2003	Finance & Management Committee	Phoenix, AZ	
February 19-20, 2003	Global Security Working Group	San Francisco, CA	Steve Correll
February 27, 2003	CDX/NDPIX/RISS/NLETS Meeting	Milwaukee, WI	Frank Lewis
March 5-6, 2003	CDX/NDPIX/RISS/NLETS Meeting	Kansas City, MO	Frank Lewis
March 13-14, 2003	LEO/NLETS Meeting	Reston, VA	Steve Correll & Frank Minice
March 18-20, 2003	NLETS Board of Directors	Las Vegas, NV	
April 1-3, 2003	Global Advisory Committee	Washington, DC	Steve Correll
April 16-17, 2003	Global Security Working Group	San Diego, CA	Steve Correll
April 22-23, 2003	FBI Subcommittee	Clarksburg, WV	Steve Correll
April 28, 2003	CA Legislative Meeting for Locator	Sacramento, CA	Steve Correll
May 1-2, 2003	SCICS Meeting	Atlanta, GA	Steve Correll & Frank Minice
May 16, 2003	NIJ Meeting	Greensboro, NC	Steve Correll
May 17-19, 2003	LEIM Conference	Greensboro, NC	Steve Correll
May 18-23, 2003	PRC Meeting	San Diego, CA	Frank Lewis
May 21-22, 2003	NLETS Executive Steering Committee	Minneapolis, MN	
May 28-29, 2003	Arkansas User Group	Bryant, AR	Steve Correll
June 2-3, 2003	Global Security Working Group	Williamsburg, VA	Steve Correll
June 3-4, 2003	AAMVA Regional Meeting	Meridian, ID	Mike Key
June 4-5, 2003	FBI APB Meeting	Cleveland, OH	Steve Correll
June 11-12, 2003	Global Advisory Committee	Tallahassee, FL	Steve Correll
June 17-18, 2003	NVPS Meeting	Nashville, TN	Frank Lewis
June 18-19, 2003	Florida Users Group	Tampa, FL	Larry Grund
June 26-27, 2003	Summit on Interoperable Commun.	Washington, DC	Frank Minice

July 1-3, 2003	NLETS Annual Conference	Jackson Hole, WY	
July 1-2, 2003	American Probation & Parole Assoc.	Taylorsville, KY	Rob Miller
July 8-10, 2003	Global Security Working Group	Denver, CO	Steve Correll
July 11, 2003	NASCIO Meeting	Washington, DC	Steve Correll
July 16-17, 2003	Global Security Compatibility	Atlanta, GA	Steve Correll
July 21-24, 2003	NCJA Conference	Denver, CO	Steve Correll
July 25, 2003	SEARCH Meeting	Sacramento, CA	Gerry Coleman
July 31 – Aug 1, 2003	NVPS Meeting	St. Louis, MO	Frank Lewis
August 7-8, 2003	NGA Information Sharing Conference	Washington, DC	Steve Correll
August 12-13, 2003	JTF Meeting	Madison, WI	Frank Minice
August 13-15	Finance & Management Committee	Phoenix, AZ	
August 26-28, 2003	Global Executive Steering Committee	Reston, VA	Steve Correll
September 16-17, 2003	NLETS TOC Meeting	Toronto, Ontario	
September 19, 2003	NAJIS Conference	Ft. Worth, TX	Steve Correll
September 22-23, 2003	Intergovernmental Forum	Washington, DC	Steve Correll
September 29-30, 2003	NGA Information Sharing	Salt Lake City, UT	Steve Correll
October 8-9, 2003	NVPS Meeting	Nashville, TN	Frank Lewis
October 8-10, 2003	Global Advisory Committee	Crystal City, VA	Steve Correll
October 21-22, 2003	NLETS BOD Meeting	Tallahassee, FL	
October 24, 2003	IACP Meeting	Philadelphia, PA	Steve Correll
October 29, 2003	FBI/CJIS Subcommittees	St. Louis, MO	Steve Correll
October 30, 2003	National Courts Conference	Kansas City, MO	Steve Correll
November 6-7, 2003	NGA Conference	Boston, MA	Steve Correll
November 6-7, 2003	CPIC Advisory Committee	Ottawa, Ontario	Larry Grund & Brenda Owens
November 9-10, 2003	Global Service Orientated Architecture	Williamsburg, VA	Steve Correll
November 18-20, 2003	Global LEIS Meeting	Washington, DC	Steve Correll
December 3-4, 2003	FBI/APB Meeting	San Francisco, CA	Steve Correll
December 9-11, 2003	Global Executive Steering Committee	Santa Fe, NM	Steve Correll

Staff Training

DATE	DESCRIPTION	ATTENDED BY
January 22 – May 10, 2003	Computer Information Systems	Kyle Darnell
February 14-15, 2003	Skillpath Writing and Grammar Seminar	Michelle Richey
March 25-26, 2003	Skillpath Financial Seminar	Laura Carter
June 9-13, 2003	Cisco Networking Class	Kyle Darnell & John Lawson
August 4-8, 2003	Cisco BCSI Class	Art Valdez
August 25-29, 2003	Cisco Inter-network Troubleshooting Class	Frank Lewis

NLETS
01/01/2003 - 12/31/2003
(UNAUDITED)

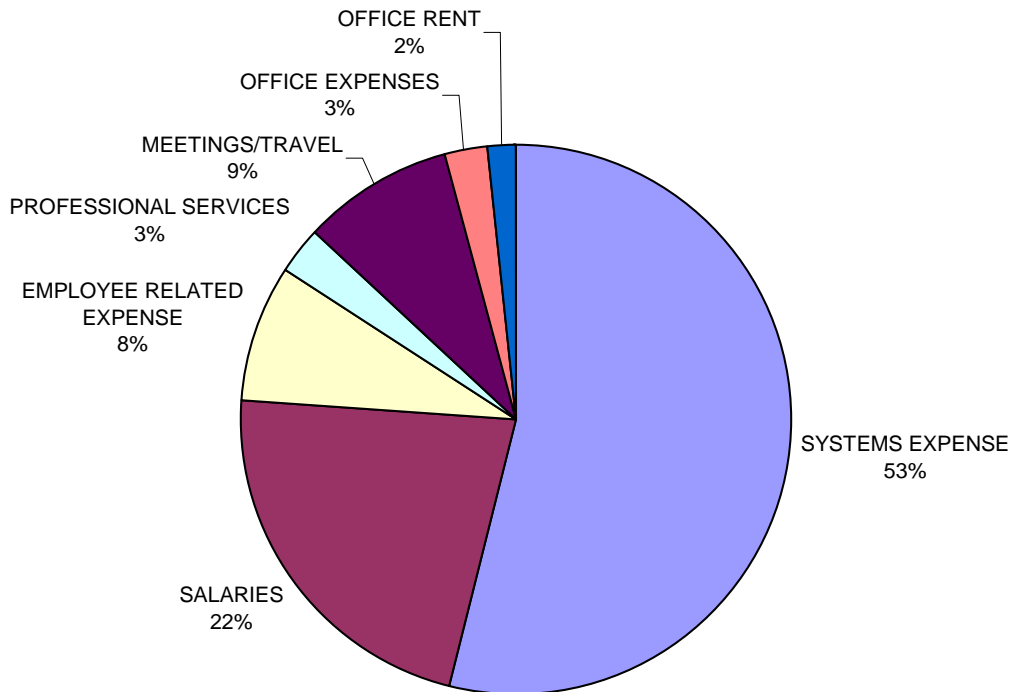
<u>ORDINARY INCOME/EXPENSE</u>	<u>Jan - Dec 03</u>	<u>Budget</u>	<u>% of Budget</u>
<u>INCOME</u>			
MEMBERSHIP FEES	2,106,455	2,002,800	105.2%
EXPENSE REIMBURSEMENT	406,266	266,000	152.7%
NET INVESTMENT INCOME	44,276	0	0.0%
Total Income	2,556,997	2,268,800	112.7%
<u>EXPENSE</u>			
SYSTEMS EXPENSE	1,413,872 ⁽¹⁾	968,560	146.0%
SALARIES	581,104	575,024	101.1%
EMPLOYEE RELATED EXPENSE	211,051	242,497	87.0%
PROFESSIONAL SERVICES	74,723	81,242	92.0%
MEETINGS/TRAVEL	232,332	285,000	81.5%
OFFICE EXPENSES	66,882	69,550	96.2%
OFFICE RENT	42,201 ⁽²⁾	33,230	127.0%
Total Expense	2,622,165	2,255,103	116.3%
NET ORDINARY INCOME	-65,168	13,697	

⁽¹⁾ AT&T billing issued resolved. Includes past due balances from prior years.

⁽²⁾ Admin Office expanded +700 sq. ft.

(AUDITED ACCOUNTANTS REPORT WILL BE SENT TO NLETS REPS UPON COMPLETION)

2003 NLETS OPERATIONAL EXPENSES



2003 NLETS ANNUAL CONFERENCE
Jackson Hole, Wyoming

