Nlets
2018
Annual Report

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Letter from the President

As we reflect on the year that was for Nlets in 2018, I am proud of the challenges we have overcome and the progress that has been made even as our objectives and ambitions increase.

It has been an honor and privilege to serve as the Nlets President in the midst of such exciting progress, and it will be my privilege to continue to preside until we convene for our 52nd Annual Business Meeting in Anchorage, Alaska, this summer.

Nlets thrives because it values the collaboration of our state and federal representatives, staff members, industry partners and other entities who endeavor to serve the law enforcement and public safety community. In 2018, we built upon the network and system reliability that our community has come to expect, while also expanding our reach and portfolio of available services.

Throughout the pages of this annual report, you will find that Nlets continues to be financially solid, is trusted in our community, and is poised to reach new heights in the years to come.

The strategic plans created and updated by our members—corporate, financial and technical—provide the road maps necessary to focus our efforts and guide our future. These plans are regularly refreshed as the needs of our membership and industry evolve, and we continue to pursue these goals as a unified Nlets.

Some of the exciting new technological projects highlighted for 2018 were:

- A new Charge Code mapping database was created in support of the U.S. Immigration and Customs Enforcement (ICE) Law Enforcement Notification System (LENS) program
- Nlets wrapped up its final CHIEF grant, which supported standardized criminal history records across the country
- The Nlets Board of Directors further defined the Brodie Assistance Fund (BAF) guidelines for XML Standardization projects
- The Nlets WAN upgrade project to move to the AVPN solution was completed
- Nlets scaled NOVA, the Nlets Secure Cloud Platform, and added additional services

Additional 2018 highlights:

- The Training Department produced additional multi-media training resources and held its first online webinar
- Ms. Georgene Ramming was inducted into the Nlets Hall of Fame
- Nlets hosted its 51st Annual Business Meeting in Lake Tahoe, Nevada, and the Implementers Workshop in Tempe, Arizona
- Efforts began to reach out to other "Five Eyes" countries, Australia and New Zealand, to further our international outreach

It is especially satisfying to look back on our progress and remember when the goals recently reached were just far-fetched ideas.

Nlets affords its representatives and partners the chance to speak their minds and shape our future. If you are new to Nlets, I encourage you to get involved and share your input. Although there are a limited number of members who can serve on our various committees, Nlets Representatives should contact the Nlets President if you would like to get involved. The upcoming Annual Business Meeting and your Regional meetings are additional platforms you can use to participate.

Nlets will continue to push itself to be more reliable, capable and trustworthy. Nlets is what YOU make it! I look forward to working with each of you to achieve our goals in 2019.

Leon Frederick
Nlets President

Letter from the Executive Director

Another very good year is in the books! 2018 was a breakthrough year on several fronts—the one that I am most excited about is Nlets passing two billion transactions processed in a year. 2.16 billion to be exact.
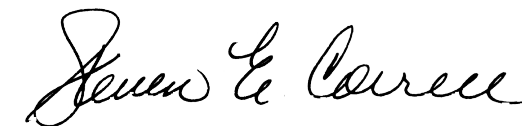
Like any agency or company, Nlets uses multiple measures to determine success. However, for Nlets, usage ranks very high. As a not-for-profit created to exchange data securely for the law enforcement and criminal justice community, usage reigns supreme.

The service and capability we provide is used more and more each year. The usage goes up as demand goes up, but also due to ease of use, the training in its use and increased partnership.

Moreover, contrary to most companies, Nlets is not in the business to make money. We are in the business of securely exchanging data with government and industry to keep the officer on the street safe, and to help criminal justice practitioners meet their important goals. In this important role, we excel.

In this report for Year End 2018, you will see what we accomplished. Our successes and priorities, from our critical role with DHS ICE in facilitating their Law Enforcement Notification System (LENS) to our completion of the multi-year Bureau of Justice Statistics CHIEF project where we facilitated the standardization of state criminal history records in more than 30 states.
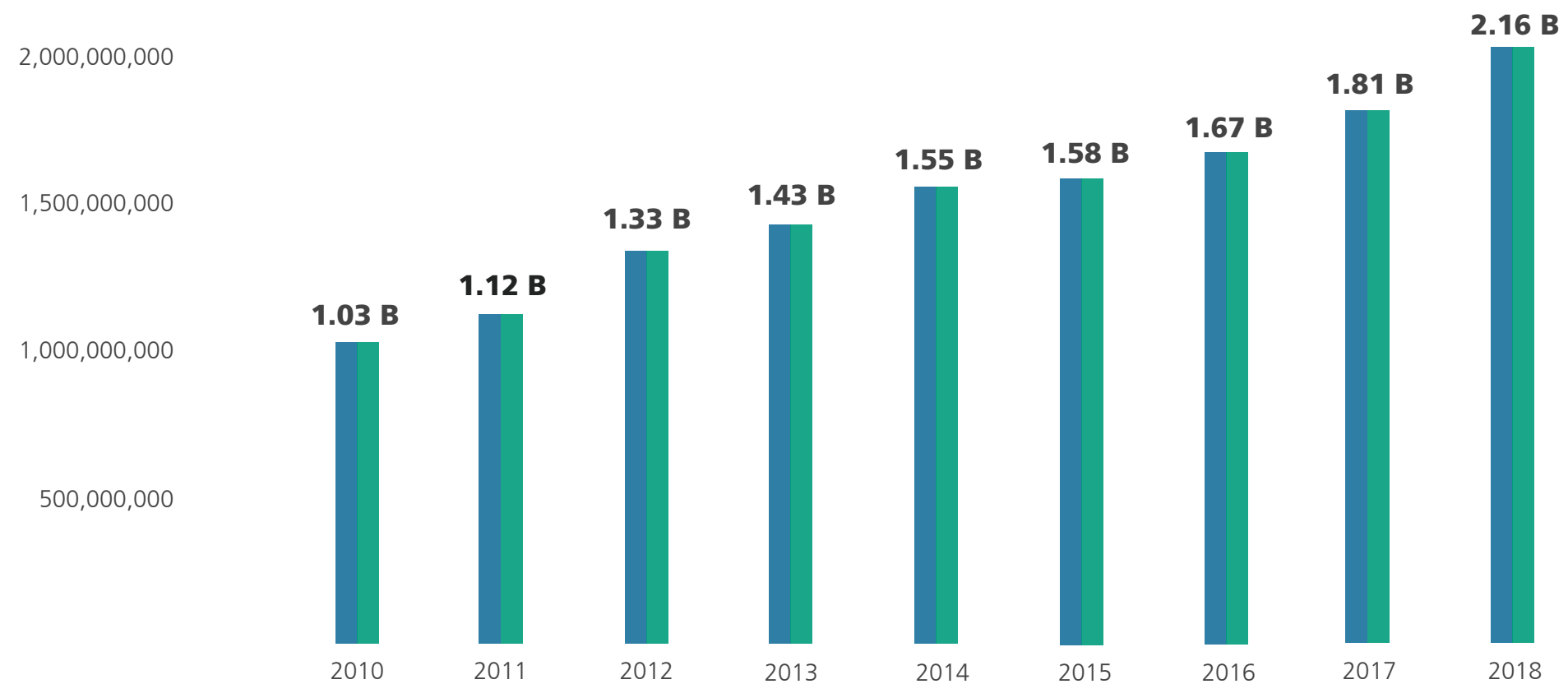
Nlets exists to serve, innovate and exceed the expectations of the community that we serve. In addition, in 2018 I am pleased to tell the reader, that we accomplished exactly that!
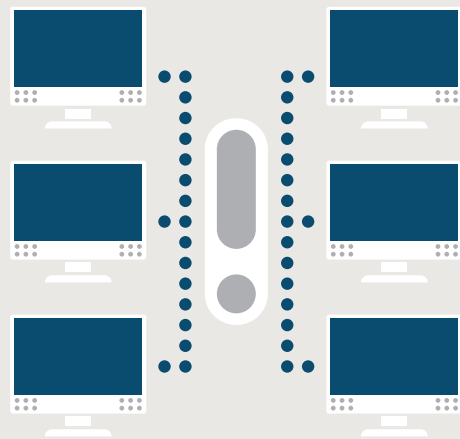
Steve Correll
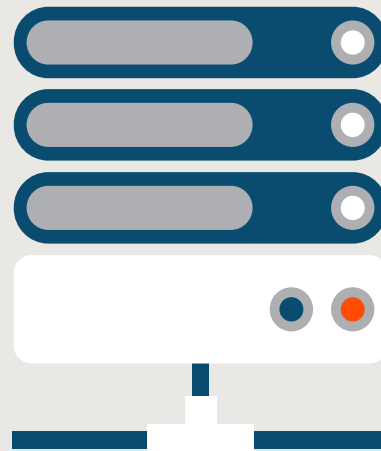Nlets Executive Director
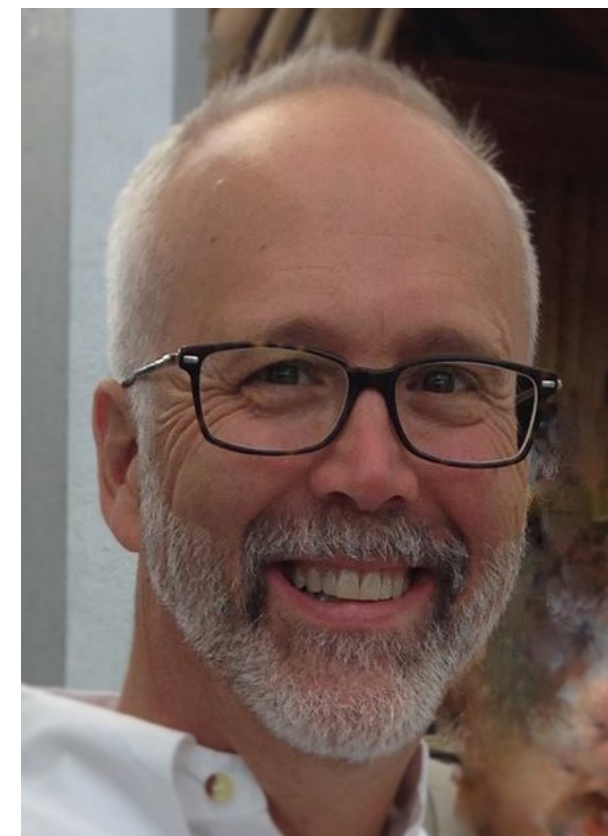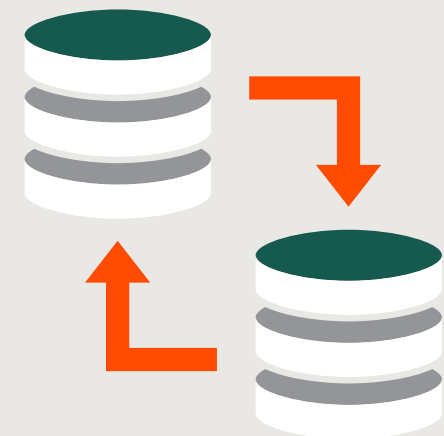
Transactions by Year

2018 Statistics

99.97% Network Uptime

99.96% System Uptime

70ms Average Response Time

Financial Update

Nlets continues to build on its financial stability by continued growth and adding a new revenue stream in 2018. With this financial stability, we are able to invest in the most talented people, some of the best technology, and enhanced security, reliability and expanded capabilities. 2018 saw revenue growth of 19% over prior year, with corresponding expenses only increasing 5%, resulting in improved operating margin of 21.7%. Nlets invested over $2 million in technology infrastructure, including hardware and security updates at both our main facility and disaster recovery site. Capital outlay continued in 2018 for the NJIN 2.0 rewrite project, which is expected to complete in 2019. $218K was reinvested back in the membership community through our Brodie Assistance Fund, while continuing to make progress towards the goal of making this a self-sustaining fund. The balance sheet for Nlets is strong as we have secured liquid cash reserves for unexpected needs, zero long-term debt, and minimal short-term operating liabilities. Nlets recently officially closed the books on another solid financial year with the completion of our annual external audit. Audit results were favorable, Nlets received an unmodified (or "clean") opinion, with no material weaknesses in internal controls and no best practice suggestions offered from the auditors.

As use of the Nlets system and our service offerings continue to grow, it is crucial that the Nlets Message Switch continues to operate in a highly reliable manner. Through different system metrics, that the Nlets technical team monitors regularly, we have seen an upward trend that indicates the current NJIN environment is nearing capacity. Over the last few years, increases in demand have been met with additional hardware. Unfortunately, the current architecture does not provide for infinite additions to the hardware and therefore we must transition to a new architecture to support current and future requirements. With that in mind, Nlets senior management approved and prioritized the NJIN 2.0 Implementation effort. This project is a subsequent effort to the previously completed NJIN Code Review and NJIN 2.0 Design projects.

Nlets NJIN 2.0 is the third generation XML and web services oriented Nlets message switch.

Nlets began support of these technologies in 2005 with the implementation of the XML Message Router (XMR), which evolved through on-going code re-writes into the Nlets Justice Information Network (NJIN). The NJIN 2.0 represents a dramatic deviation from the earlier system implementations and will provide a complete and true Service Oriented Architecture with the ability to scale easily and infinitely. The NJIN 2.0 architecture will also deliver increased stability and availability and provide for improved monitoring and debugging capabilities.

NJIN 2.0

AVPN WAN Upgrade

The WAN Upgrade project was approved by Nlets management and began in February 2018. This project entailed migrating the Nlets private network from AT&T's MPLS PNT offering to their MPLS AVPN service. The AVPN network is a newer technology that allows Nlets the capability of providing a truly any-to-any connectivity solution rather than the point-to-point capability available on the previous PNT network.

Rather than continuing to move forward with an antiquated solution, Nlets staff, with the blessing of the Technical Operations Committee, chose to be more proactive in our migration to the latest technologies and completed the effort in October 2018. As part of this migration to AVPN, Nlets also brought the WIN circuits, which we currently manage, into the Nlets private cloud.

New Record Types Available via NAQ

In NICB's continued support law of enforcement's efforts to investigate vehicle theft and vehicle crimes, NICB is excited to announce the addition of two record types to the NICB's NAQ Message Key; the NICB Lien record and the NICB Key Code record.

The NICB Lien record indicates that a finance company that is an Associate Member of NICB has an interest in a VIN. The Lien record will return a match containing the name of the lienholder that has an active lien on record with NICB.

LIEN RECORD INDICATOR
LIEN HOLDER/ALLY FINANCIAL, INC
**** FOR ANY QUESTIONS PLEASE CONTACT NICB 847-544-7002 ****

The NICB Key Code record will return a match in which a key code and/or an immobilizer reset has been requested of the vehicle manufacturer, by a registered locksmith (Non-OEM) or dealer service center (OEM). The NICB Key Code Record match will contain the date of occurrence, OEM type (OEM or Non-OEM), and a transaction type. The 3 transaction types are: Key Code Request, Immobilizer Reset Request, or Key Code and Immobilizer Reset Request. Non-OEM transactions will also contain a Transaction ID number and a Locksmith ID number.

VEHICLE KEY CODE REQUEST
DATE/ 01/04/2018 NON-OEM/KEY CODE AND IMMOBILIZER RESET REQUEST
TRANSID/GM-18003003707 LSID/43Y22RNZ
**** FOR ANY QUESTIONS PLEASE CONTACT NICB 847-544-7002 ****

The NICB provides the information contained within the NAQ Message Key solely as an investigative aid. Since these records are not validated, the NICB does not guarantee or warrant their legitimacy. Please use secondary verification before you take any enforcement action.

Sunsetting Initiatives

Nlets is in the midst of a nationwide initiative to sunset legacy technology and adopt more modern, unified standards. Below are the relevant sunsetting motions passed by the Nlets Board of Directors.

BOD Fall 2014 Motion 7

Resolve that Nlets will sunset dot delimited text formats by December 2018 at which time all Nlets message traffic will be in standardized XML format.

BOD Fall 2014 Motion 8

Resolved that Nlets will sunset Nlets Socket Protocol by July 2017.

BOD Fall 2015 Motion 20

Resolve that Nlets extend the deadline to sunset dot-delimited text to December 2019.

"Meeting sunset dates established by the Nlets Board of Directors is important for the membership due to the technical and financial benefits associated with each initiative. Migrating to XML and web services will lower development and maintenance costs, standardize data presentation and exchange, and add functionality for all users."

-Jeremy Hansford
TOC Committee Chair

XML Standardization: Board of Directors Update

In 2018, Nlets Board of Directors unanimously passed the following motion:

The Brodie Assistance Fund (BAF) Committee recommends to the Board of Directors, that applications requesting BAF dollars to convert dot delimited to XML/NIEM in support of the Nlets sunsetting motion only be approved if that request is for a plan that fully tags each data element and has been approved by Nlets technical staff.

Plans should be submitted to Nlets Director of Business Development Bonnie Locke (blocke@nlets.org).

Charge Code Database

Nlets recently announced the release of a charge code database, available via two new Nlets transactions: Charge Code Query (CCQ) and Charge Code Response (CCR). This query allows a user to enter in a state statute code for any state or territory and receive a response with the corresponding NCIC offense code.

The newly created database was created in support of the U.S. Immigration and Customs Enforcement (ICE) LENS program and is now available to all Nlets users.

For more information on Charge Code transactions (CCQ/CCR), please visit Section 49 of the Nlets Wiki or Contact the Nlets Operation Center at 1-800-528-4020.
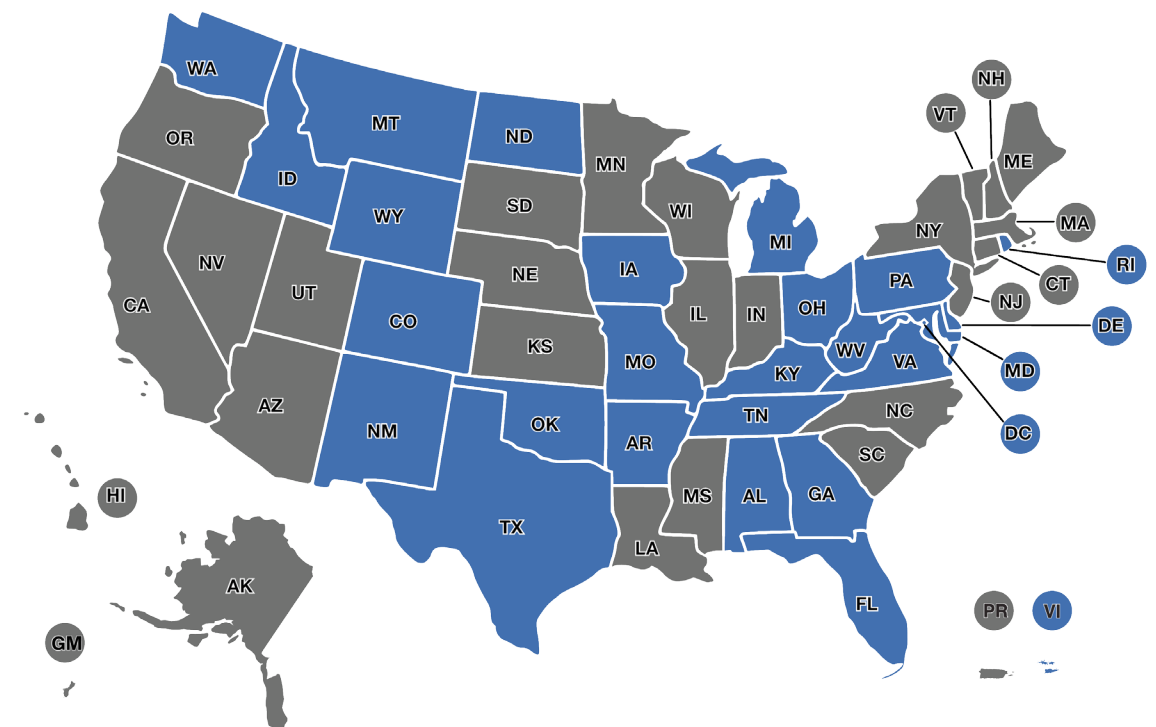
Initiatives

Drivers License Photo Sharing (NISP)

Legend:
- Sharing/Receiving (blue)
- Limited Sharing/Receiving (green hatched)
- Sharing (yellow striped)
- Not Sharing/Receiving (gray)
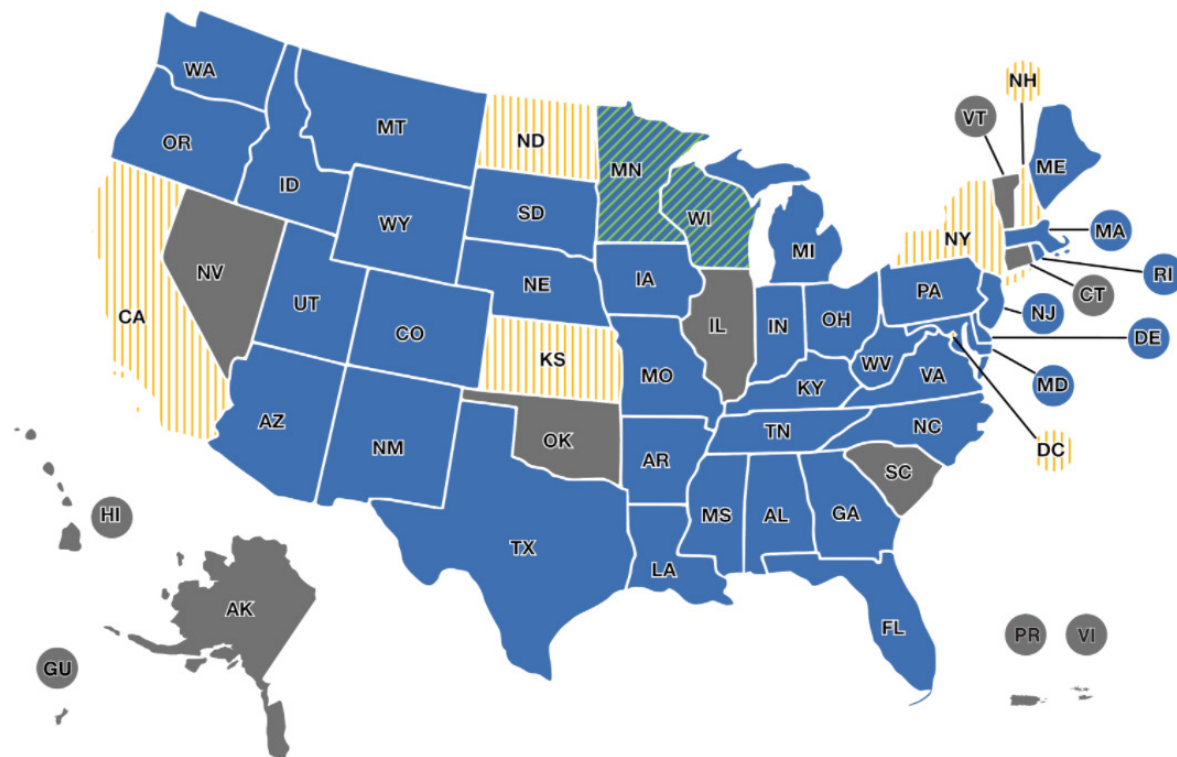
Targeted Interstate Photo Sharing (TIPS)

Legend:
- Implemented (blue)
- Upcoming (green hatched)
- Not Implemented (gray)

CHIEF Wrap-up

Criminal History Information Exchange Format (Standardized Rapsheets)

■ Rapsheet 4.1   ▨ Rapsheet 4.0   ▥ Rapsheet 3.01   ■ Not Standardized

![Powered By Nova - Nlets Secure Cloud Platform logo]
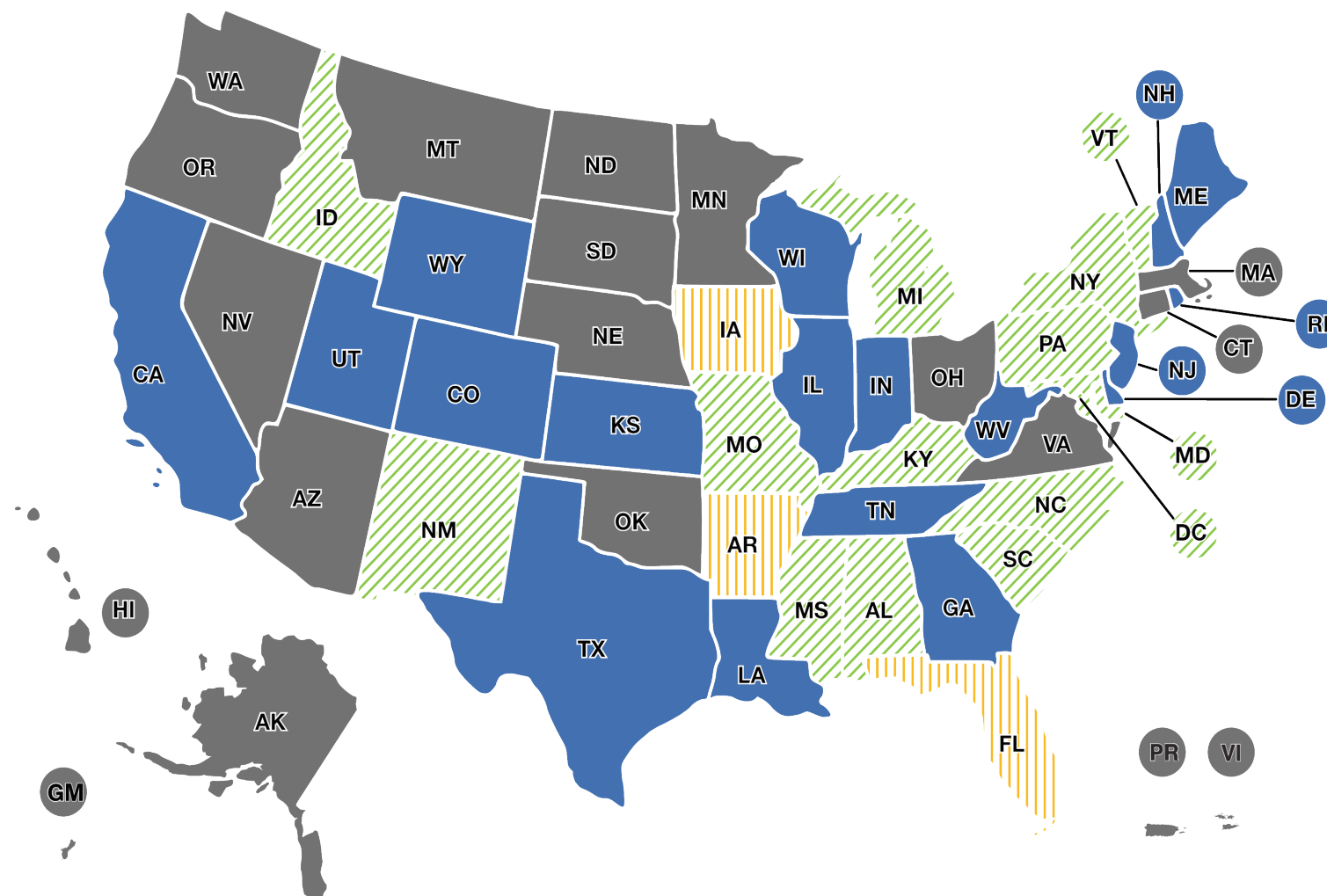
Nova is Nlets and CJIS security policy compliant and has been audited by the FBI.

2018 was another successful year of growth for Nova, the Nlets Secure Cloud Platform, in production. A number of organizations are live within Nova, and many more have expressed interest in our unique cloud hosting platform.

Nova is our most modern solution — a completely customizable virtualized environment that eliminates many of the hassles of traditional hosting. With leading technology and unparalleled customer support, Nova is a virtualized hosting product that stands toe-to-toe with leading industry providers while catering directly to those who support officers on the street. Ideal for all environments, whether it's primary technology, DR sites or test environments, Nova is a premiere cloud service for the criminal justice community.

For more information about Nova or to request a quote, visit Nletscloud.org.

New in 2018:
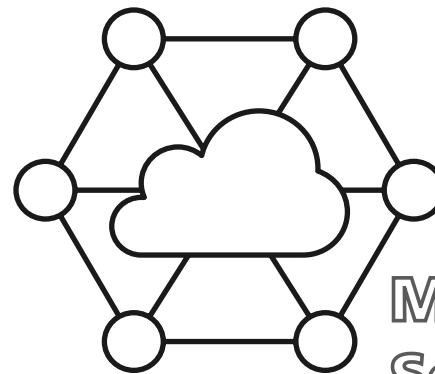
Multi-site Services
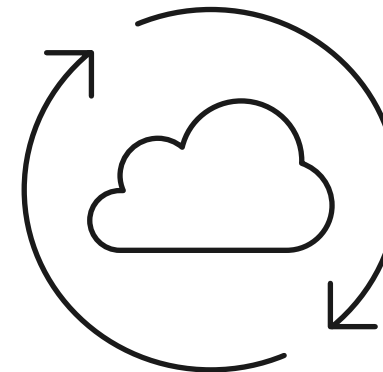
Back-up Services

Premium Storage

Click Here to Request a Nova Quote

Strategic Partners

Nlets is proud to partner with these industry members, who join us in our mission to serve law enforcement.

Hosting Customers

Nlets is proud to provide secure hosting services to these industry members, who join us in our mission to serve law enforcement.

Nlets Service Agencies

Core: Principal

Alabama Law Enforcement Agency
Alaska Department of Public Safety
Arizona Department of Public Safety
Arkansas Crime Information Center
California Department of Justice
Colorado Bureau of Investigation
Connecticut Department of Public Safety
DC Metropolitan Police Department
Delaware State Police
Florida Department of Law Enforcement
Georgia Bureau of Investigation
Hawaii Criminal Justice Data Center
Idaho State Police
Illinois State Police
Indiana State Police
Iowa Department of Public Safety
Judiciary of Guam
Kansas Bureau of Investigation
Kentucky State Police
Louisiana State Police
Maine State Police
Maryland State Police Headquarters
Massachusetts Executive Office of Public
    Safety and Security
Michigan State Police
Minnesota Department of Public Safety
Mississippi Department of Public Safety
Missouri State Highway Patrol
Montana Department of Justice
Nebraska State Police
Nevada Department of Public Safety
New Hampshire State Police
New Jersey State Police
New Mexico Department of Public Safety
New York State Police
North Carolina State Bureau of
    Investigation

North Dakota Department of Emergency
    Services
Ohio State Highway Patrol
Oklahoma Department of Public Safety
Oregon State Police
Pennsylvania State Police
Puerto Rico Department of Justice
Rhode Island State Police
South Carolina Law Enforcement Division
South Dakota L.E.T.S.
Tennessee Bureau of Investigation
Texas Department of Public Safety
United States Virgin Islands Police
    Department
Utah Bureau of Criminal Identification
Vermont Department of Public Safety
Virginia State Police
Washington State Patrol
West Virginia State Police
Wisconsin Department of Justice
Wyoming C.J.I.S.

Core: Associate

ARJIS of San Diego
Heavy Vehicle Electronic License Plate, Inc.
    (HELP, Inc.)
National Center for Missing and Exploited
    Children (NCMEC)
National Insurance Crime Bureau (NICB)
National Vehicle Service (NVS)
Regional Information Sharing System
(RISS)
Western Identification Network (WIN)

Core: Federal

Administrative Office of U.S. Courts
Bureau of Justice Statistics (BJS)
Bureau of Prisons (BP)
El Paso Intelligence Center (EPIC)
Federal Bureau of Investigation / NCIC
Federal Motor Carrier Safety
    Administration
Federal Protective Service
National Weather Service / NOAA
Naval Criminal Investigative Service
Social Security Administration
Transportation Security Administration /
    OLE
U.S. Air Force
U.S. Army
U.S. Bureau of Consular Affairs/ Passport
    Services
U.S. Citizenship and Immigration Services
U.S. Coast Guard
U.S. Customs and Border Protection
U.S. Department of Defense/DMDT
U.S. Department of Justice
U.S. Department of State
U.S. Department of the Interior
U.S. Department of Veteran's Affairs
U.S. Immigration and Customs
    Enforcement
U.S. Marshals Service
U.S. National Central Bureau of INTERPOL
U.S. Office of Personnel Management
U.S. Postal Inspection Service
U.S. Secret Service

Core: International

Canada

Nlets Leadership

*Current committees as of Spring 2019

Board of Directors

President: Leon Frederick (IA)

1st Vice-President: Charles Schaeffer (FL)

2nd Vice-President: Wyatt Pettengill (NC)

Region A: Bill Guy (RI), Chair
　　　　 Darryl Hayes (CT), Vice Chair

Region B: Rachel VanDeusen (NY), Chair
　　　　 Stephen Gerber (NJ), Vice Chair

Region C: Brad Truitt (TN), Chair
　　　　 Greg Meetze (SC), Vice Chair

Region D: Terri Fisher (GA), Chair
　　　　 Shelley Scott (LA), Vice Chair

Region E: Dawn Brinningstaull (MI), Chair
　　　　 Jeremy Hansford (OH),
　　　　 Vice Chair

Region F: Jennifer Viets (MT), Chair
　　　　 Mike Lynk (ND), Vice Chair

Region G: Tim Struck (NM), Chair
　　　　 Ted DeRosa (CO), Vice Chair

Region H: Clay Sato (HI), Chair
　　　　 Kathy Monfreda (AK),
　　　　 Vice Chair

Federal Liaison: Frank Dubiel (DS)

Finance & Management

Chair: Dawn Brinningstaull (MI)
Ex-Officio: Charles Schaeffer (FL)
Terri Fisher (GA)
Mike Lynk (ND)

Technical Operations Committee

Chair: Jeremy Hansford (OH)
Ex-Officio: Wyatt Pettengill (NC)
Darryl Hayes (CT)
Jim Gerst (FBI)
Greg Meetze (SC)
Chris Corea (MD)
Brad Cazort (IL)
Boyd Butler (IL)
Kathy Monfreda (AK)
Mario Girard (CN)
Joe Mandala (KS)
Ron Thornton (TC)

Brodie Assistance Fund

Chair: Tom Prevo (NB)
Jeremy Hansford (OH)
Rachel VanDeusen (NY)
Dawn Brinningstaull (MI)
Clay Sato (HI)

Training & Education

Chair: Shelley Scott (LA)
Jennifer Viets (MT)
Amy Mancuso (SD)
Kateri Candee (WA)

Nominations

Chair: Ted DeRosa
TBD

Hall of Fame

Chair: Dan Abbott (NA)
Leon Frederick (IA)
Steve Correll (Nlets)
Kathy Monfreda (AK)
Larry Grund (Alumni)