

Niets 2016

Annual Report

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Letter from the President

As I write this introduction to the Nlets 2016 Annual Report, it seems to me this is a good opportunity to pause for just a moment on our journey and take a look around.

Looking backward, we can see the progress we've made over the last year, and indeed, over the last 49 years. Our journey has not always been an easy one - over familiar, easy to negotiate terrain. Occasionally we may have turned down the wrong trail or had a little difficulty in negotiating a particular obstacle, but we've been unwavering in our path toward providing secure telecommunications capabilities and information services to criminal justice agencies. As you look through this report, you'll see just how far we have come and what we have been able to accomplish over the last 12 months. Nlets can be very proud of its accomplishments, its improvements, and steady growth. The Nlets staff and Nlets membership are to be commended for their hard work, dedication and pursuit of excellence.

Looking forward, we're able to see an exciting road ahead. I suspect it will not be without its obstacles and challenges, but along the way there'll be many opportunities to smooth out the road for those who follow us and partner with like-minded travelers who have similar goals and objectives. We have many miles behind us, miles of experience that have taught us how to be efficient, cost effective and innovative.

Ralph Waldo Emerson once said, "Life is a journey, not a destination." I know that's the case with Nlets. I don't think we'll ever see our "final" destination because there will always be a new data source to make available, a new security innovation to put into place, or a new protocol to implement, and that's as it should be. The journey ahead is filled with opportunities to grow, improve, and innovate. I look forward to the journey ahead, and I hope you do, too.



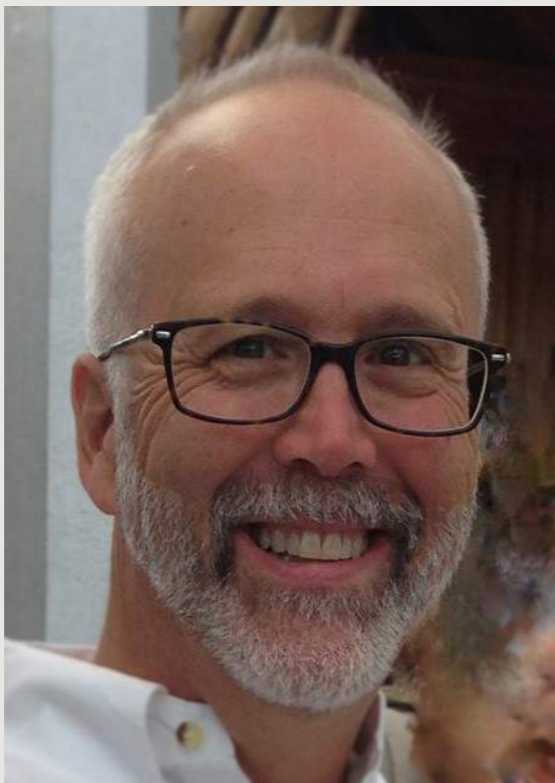
A handwritten signature in black ink that reads "Bill Clinton". The script is fluid and cursive.

Bill Clinton
Nlets President

Letter from the Executive Director

While this is the 2016 Nlets Annual Report, all of you reading this will do so in 2017 – the year that Nlets turns 50.

It seems like a big deal for Nlets to come to its 50th year of service at the top of its game. Where there was once talk of Nlets being “long in the tooth” there is now only renewed interest; expanded capability, strength, security and passion for reliable data exchange for our core members and industry partners.



Nlets has never been better. Nlets has never been stronger. Nlets has never been more capable, reliable, or hopeful for the future.

And, Nlets has never been 50.

Until now.

We treat every year as an opportunity to build on the year before. There is no time to waste because there is still so much left to do. As we rebuild our Nlets system to be more flexible, powerful and capable we are already planning on how to utilize that capability to do more.

We parsed state and federal criminal history records and driver's license data in 2016, and we continue that work in 2017 with our recently released registration data parsing service. And while the core Nlets membership, the states and federal agencies do great work, their resources are limited. Our job at Nlets is to find ways to make the state and federal data we handle at Nlets be consumable; quickly and accurately by everyone.

While it was a wonderful Hollywood quote, “if you build it they will come” – it does not translate into electronic criminal justice data exchange. “Once we build it, we will go and get them,” is more appropriate to the Nlets community.

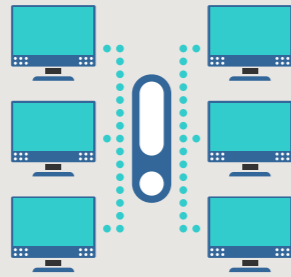
So while we are proud of the great work that was completed in 2016, and the 1.672 billion transactions we carried securely as well as the 99.997% uptime of our systems and network – we are only focused on this year and the next year right now. We will pause in June in Estes Park and celebrate 50 years of Nlets while we honor those alumni, members and staff who carried Nlets for the first many decades. It is an important milestone to be marked and one we all eagerly await. Then, we get busy transitioning to the next 50 years.

A handwritten signature in black ink, reading "Steve E. Correll". The signature is fluid and cursive.

Steve Correll
Nlets Executive Director

2016 Statistics

99.99% Network Uptime



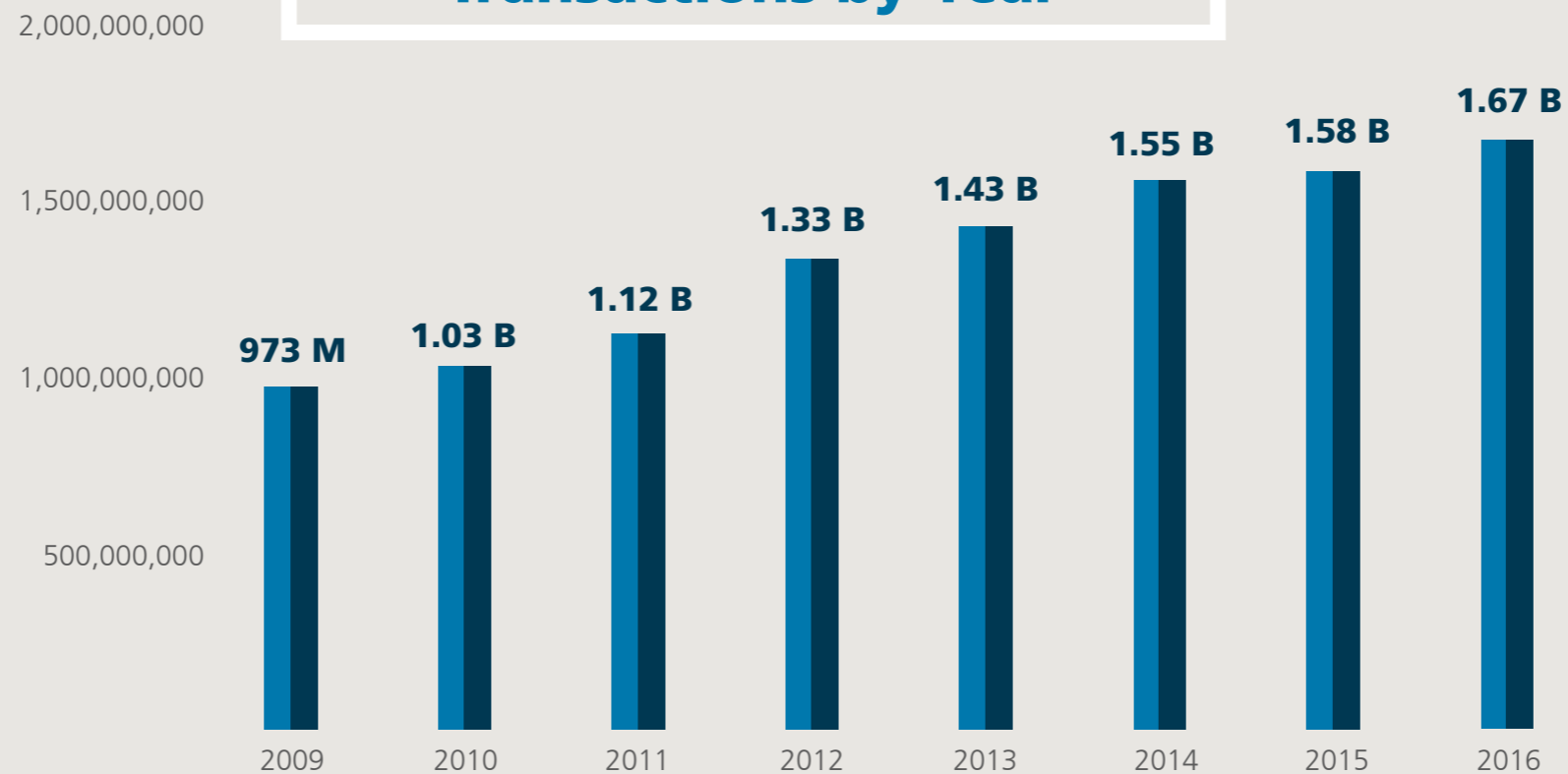
99.97% System Uptime



69.63ms Average Response Time



Transactions by Year



2016 Financial Results

STATEMENT OF FINANCIAL POSITION
As of December 31, 2016
The data below is a summarized balance sheet.

Financial Health

Assets

Current assets	\$3,374,890
Property and equipment	\$5,363,526
Other assets	\$9,773,694

Total Assets **\$18,512,110**

Liabilities

Current liabilities	\$802,135
Deferred revenue	\$797,586
Long-term liabilities	\$3,519,161
Net assets	\$13,393,228

Total Liabilities and Net Assets **\$18,512,110**

\$600,123

Net Operating Results

↓ vs. 2015
\$776,547

\$9,077,177

Total Operating Expenses

↑ vs. 2015
\$8,829,838

\$9,677,300

Total Revenue & Support

↑ vs. 2015
\$9,606,385

2016 Financial Update

Nlets continues to build on its financial stability, and as a result, we were able to invest in the most talented people, some of the best technology, and enhanced security, reliability and expanded capabilities.

*2016 saw slight revenue growth of 1%, with expenses increasing 2.8%, resulting in an operating margin of 6.2%.

*\$915,000 was invested in technology infrastructure, including hardware at our main facility as well as member sites. Investments were also made for the NJIN 2.0 Rewrite project.

*\$500,000 was allocated to the Brodie Assistance Fund, as our efforts to build sustainable resources to reinvest back in the membership community continue.

Other Things to Know

- **As of January 1, 2016, Nlets completed the migration to a cloud-based financial management and accounting system that provides greater functionality and visibility into our financial operations.**



- **Our 2016 audit is complete, with Nlets receiving an unqualified (or "clean") opinion and no material weaknesses in internal control.**



Keegan, Linscott & Kenon, PC
Certified Public Accountants
Certified Fraud Examiners
Certified Insolvency & Restructuring Advisors

Initiatives

INTERPOL Gun Query

INTERPOL illicit arms records are now available to Nlets users. This information is accessible through four new message keys: IGQ (Initial Gun Query), IGR (Initial Gun Response), FGQ (Full Gun Query) and FGR (Full Gun Response). With this new resource, law enforcement professionals have a vastly expanded reach to identify stolen and illegal firearms. Nlets and INTERPOL continue to collaborate for the good of international public safety. Illicit firearm data is the latest INTERPOL resource available via Nlets -- others include international wanted individuals, stolen motor vehicles, and stolen and lost travel documents.

Specifications on these new message keys are available within the INTERPOL Transactions Page on the Nlets Wiki.

"I believe our international information sharing model executed through Nlets provides a strategic advantage to both domestic law enforcement and immigration authorities. Having law enforcement intelligence derived from INTERPOL information can provide key information to our strategic law enforcement stakeholders. Domestic law enforcement often provides the first line of defense for many international matters that potentially have a direct impact on our national security. Delivering access to INTERPOL information through Nlets, and specifically being able to identify illicitly tracked firearms, collectively enhances global security and improves officer safety," Nlets INTERPOL Rep Wayne Towson said.

"Delivering access to INTERPOL information through Nlets, and specifically being able to identify illicitly tracked firearms, collectively enhances global security and improves officer safety."

-Wayne Towson, INTERPOL



Initiatives

TASER Query

Nlets users now have access to TASER's CEW Cartridge and Handle Purchase/Registration data via a real-time query capability of the TASER database. To access this service, send a TSQ message to the destination TI with a Serial Number used as the searching parameter. Response data will be returned via a TSR message. Technical specifications for this new capability can be found in Section 46 of the Nlets WIKI. Questions regarding the service should be directed to the Nlets help desk at 800-528-4020 or via email at helpdesk@nlets.org. Questions related to response data returned from the TASER service should be directed to TASER Support at NLETSDataRequest@taser.com.

"This partnership with Nlets has allowed to automate a previously manual process and gets needed information into the hands of officers more quickly," TASER Sr. Vice President of Information Security Jenner Holden said.

TASER is an industry leading Conducted Electrical Weapons (CEWs) company used worldwide by law enforcement, military and correctional markets to incapacitate dangerous, combative, or high-risk subjects who pose a risk to law enforcement/correctional officers, innocent citizens, or themselves in a manner that is generally recognized as a safer alternative to other uses of force. They were approved for strategic partnership in 2015 by the Nlets Board of Directors. By partnering with Nlets, TASER gains the ability to provide enhanced services to the law enforcement community.



TASER
P R O T E C T L I F E



Initiatives

Parsed DL Response Data

Driver's License Response Parsing Service developed in partnership with the U.S. Department of State, Passport Services. Nlets now provides the option for users to receive fully tagged NIEM formatted Driver's License Responses from all states via our message parsing service. DRs destined to an individual terminal or an entire state can be redirected to the message parsing service to be converted to a Parsed Driver's License Response (PDR).

This new service had an immediate impact for various law enforcement agencies.

"When I learned that Nlets was going to begin parsing out State information on Vehicles and Driver's Licenses, I realized that it would have significant benefits for our agency. It might not seem important to some, but typically our CAD/RMS vendor charged a fee for each State," University of Florida PD Administrative Specialist Ed Posey said.

"Many agencies can get away with just paying for the States surrounding them, but at a University we have students from around the world. This initiative will save my agency time and money, and I suspect it will do the same for many others."

The Parsed Driver's License Response is structured similarly to a standard Driver's License Response with the addition of some parsing-related elements and the removal of some cardinalities and enumerations.

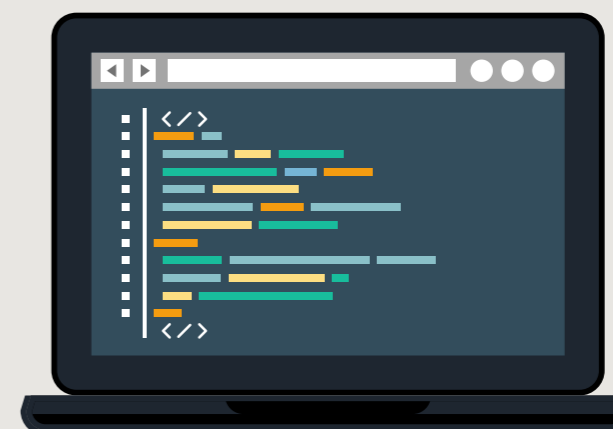
Refer to Section 13 of the Nlets Wiki for NIEM specifications and additional details on formatting PDRs.

The parsing service can be setup to parse all statewide DRs or to parse DRs for any number of individual ORIs.

To leverage this service or for more information, contact the Nlets Control Center at 1-800-528-4020.

"This initiative will save my agency time and money, and I suspect it will do the same for many others."

***-Ed Posey
Administrative Specialist
University of Florida PD***



Initiatives

Real-time PRISM Data

FMCSA data provided through the Performance and Registration Information Systems Management (PRISM) program is now available in real time via Nlets. The PRISM program, within the Enforcement Division of FMCSA, is a cooperative Federal and State partnership that allows State commercial vehicle registration offices and law enforcement agencies to identify motor carriers and their vehicles that were placed under a Federal Out-of-Service (OOS) order.

PRISM provides a way for a carrier's safety fitness information to reach State registration and law enforcement (including inspection) personnel. Registration personnel can then deny or suspend vehicle registrations of carriers that are under a Federal OOS order. Law enforcement agencies can then identify vehicles that are operating under OOS carriers and place those vehicles out-of-service at the roadside, while also using the information to more closely scrutinize vehicles assigned to high-risk carriers,

e.g., inspect them more frequently.

Prior to March 2016, the PRISM Target File could only be downloaded by Nlets once a day, which resulted in data records being 24 hours old. Nlets has since completed an effort to interface with PRISM web services, which enabled law enforcement agents to retrieve this information directly from the FMCSA authoritative source databases in real time, eliminating the potential for discrepancies due to outdated information.

This upgrade to PRISM web services was accomplished by modifying the way Nlets queries data and is completely transparent to the end user. The ACQ (Carrier) and AVQ (Vehicle) queries continue to work as they always have, but the query results are now returned in real-time.

The FMCSA PRISM Team noted that, "The advancement of Nlets to a real-time

environment using the PRISM web services now provides State and local enforcement officers with immediate access to carrier and vehicle OOS information. Throughout the past year there were over 12 million queries initiated through Nlets to access the real-time PRISM data. This critical data-driven capability supports the FMCSA mission of identifying OOS carriers at the roadside and also builds law enforcement's trust in the reliability of FMCSA data."



Initiatives

50 State Warrant Query

In an effort to increase the number of state warrants exposed to law enforcement, Nlets created a nationwide SWQ response consolidation service. This new resource provides a single destination for users to query all states that support State Warrant Queries. By sending an SWQ to the destination code NL, users will receive hit responses from all states that support SWQs in a single response. No-hit responses are filtered out, leaving only relevant responses. This federated response will improve the efficiency and visibility of state-level warrant data between states.

State Warrants provide valuable insights to officers on the street, but until now, the process to collect them was difficult and inefficient. Now, rather than having to look up which states provide State Warrant information and individually query each state, officers can collect nationwide State Warrant information in a single transaction.

"It's simple! You run one Nlets State Warrant Query (SWQ) addressed to the destination code "NL" and get one response back that can contain warrants from multiple states that share their state-level warrants. One of the best parts is that Nlets suppresses the state "no record" responses, so the response the officer receives only has relevant information," Nlets Montana Rep Jennifer Viets said. "Law enforcement agencies can find a lot of information in state warrant files, including officer safety alerts, alias"

"names, even photos. In the past, searching state-level warrant files required running multiple queries to the states that could accept them, and then dealing with multiple responses. Using state-of-the art technology, Nlets has greatly improved this process, helping officers out on the street easily access valuable state warrant information."



Initiatives

Sunseting Update

Nlets is in the midst of a nationwide initiative to sunset legacy technology and adopt more modern, unified standards. Below are the relevant sunseting 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 2015 Motion 20

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

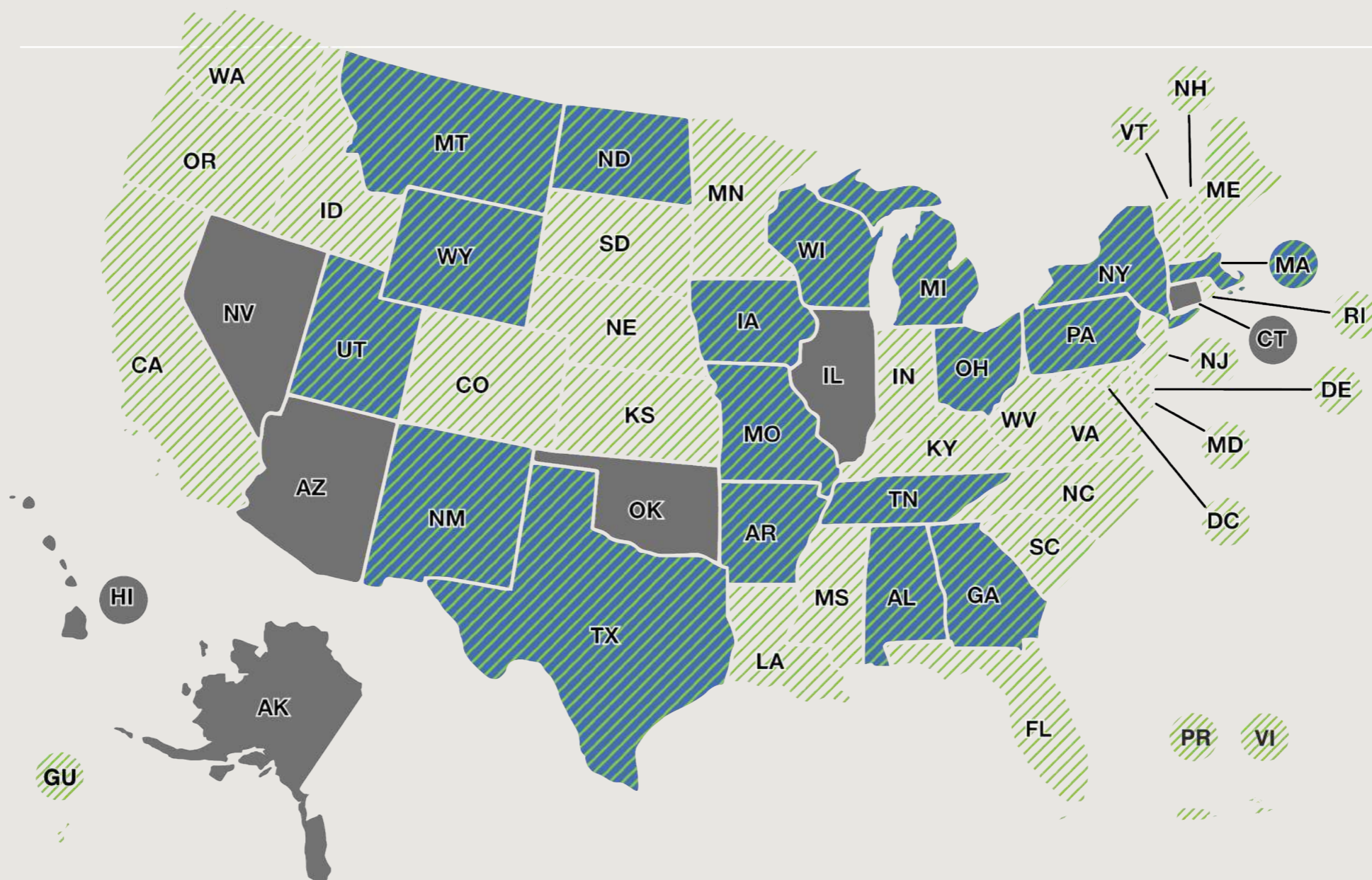
BOD Fall 2014 Motion 8

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

“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.”

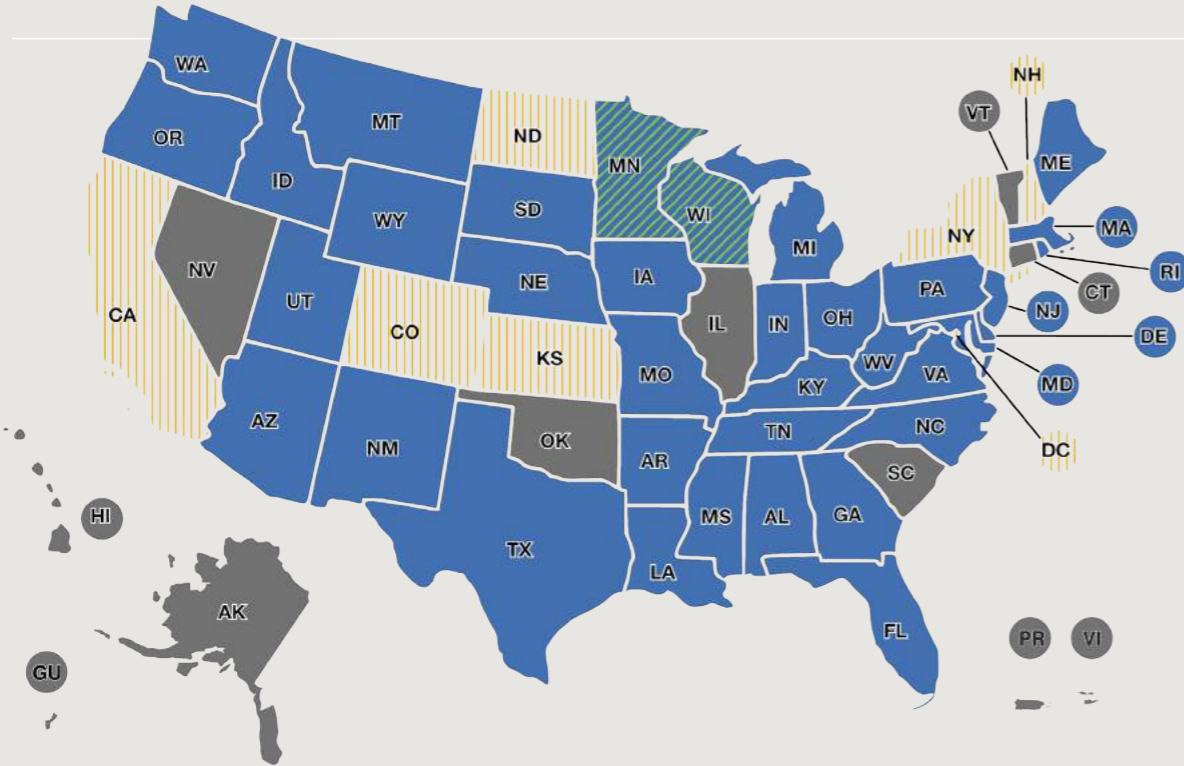
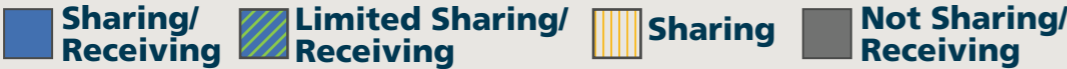
***-Jeremy Hansford
TOC Committee Chair***

Initiatives

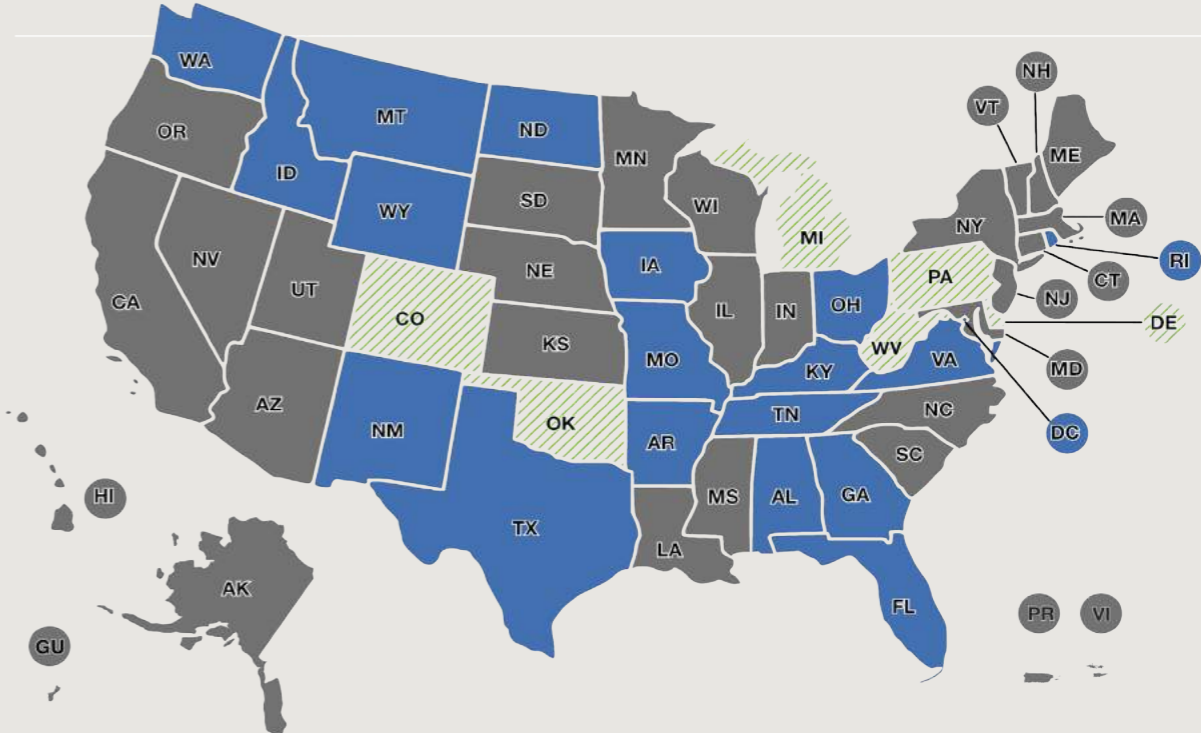


Initiatives

Driver's License Photo Sharing

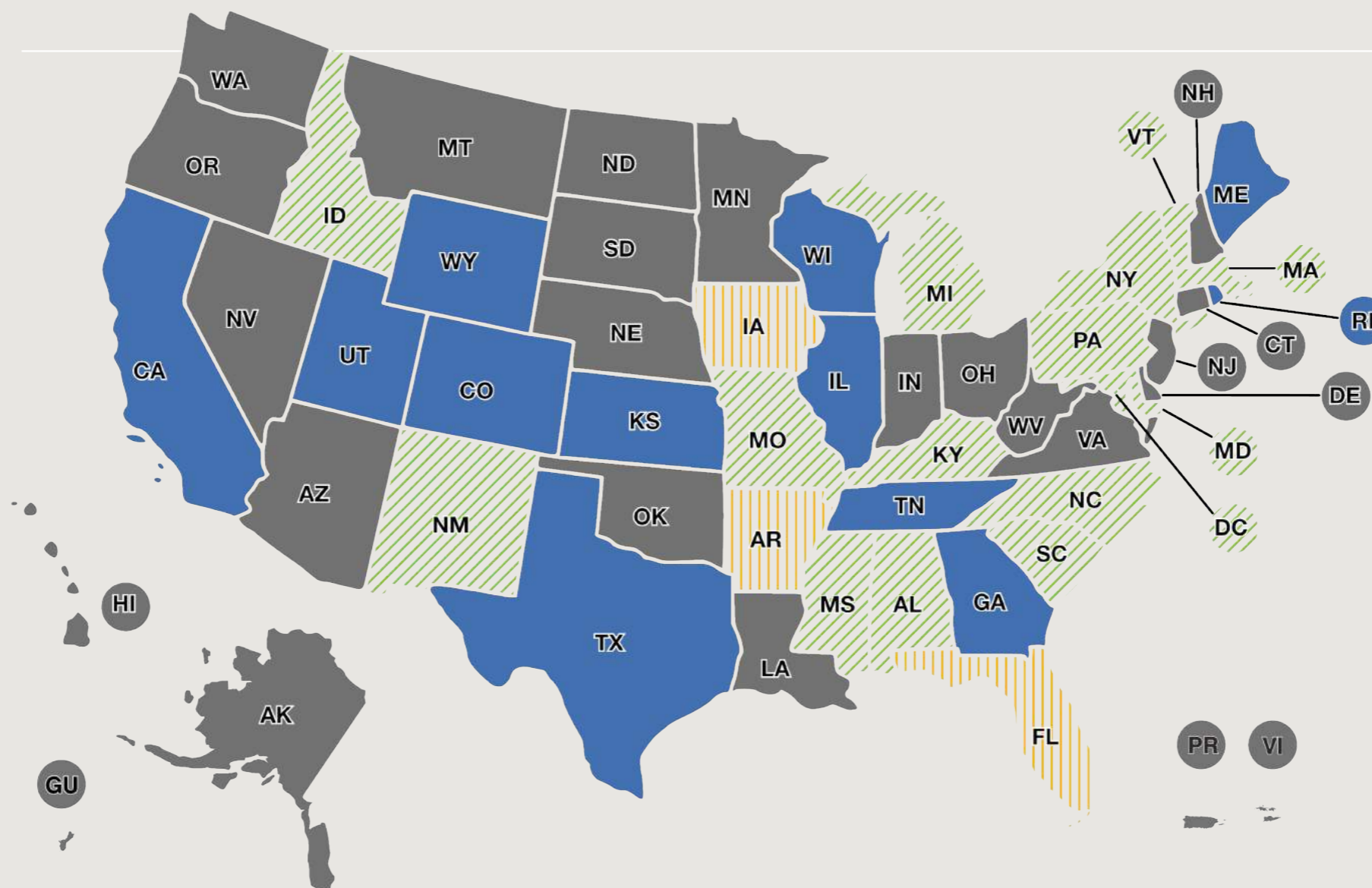


Targeted Interstate Photo Sharing (TIPS)



CHIEF Update

Standardized Rap Sheets





Nova: Cloud Hosting

Nova Update

2016 was the first full year with 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.

Customer Testimony

"Our decision to move to NOVA was not a matter of 'if' but 'when,' and when it came time the support we received from the Nlets team was unparalleled to any provider I have worked with. At ALEN we promise our clients that they are always accessing a service that is utilizing the latest technology on the market today. Operating within Nova ensures that we are keeping that promise."

-Trevor Ward, ALEN Information Security Officer

[**Click Here to Request a Nova Quote**](#)

Nova Powered By
Nlets Secure Cloud Platform

Strategic Partners

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



Hosting Customers





Nlets Service Agencies

Principal

Alabama Criminal Justice Information Center
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)
Department of Homeland Security, Office of Inspector General (OIG)
El Paso Intelligence Center (EPIC)
Federal Aviation Administration
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. 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. 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

Board of Directors

President: Bill Clinton (AR)

1st Vice-President: Leon Frederick (IA)

2nd Vice-President: Charles Schaeffer (FL)

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Vacant, Vice Chair

Region B: Vacant, Chair
Rachel VanDeusen (NY),
Vice Chair

Region C: Vacant, Chair
Wyatt Pettengill (NC), 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
Vacant, Vice Chair

Federal Liaison: Duke Longcor (DA)

Finance & Management

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Ex-Officio: Leon Frederick (IA)

Phil Colby (VT)

Dawn Brinningstaull (MI)

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Bill Guy (RI)

Jim Gerst (FBI)

Greg Meetze (SC)

Walt Neverman (WI)

Tom Prevo (NB)

Oded Galili (MN)

Kathy Monfreda (AK)

Jim LeMaire (NV)

Mike Lynk (ND)

Joe Mandala (KS)

Brodie Assistance Fund

Chair: Clay Sato (HI)

Jeremy Hansford (OH)

Curt Wood (MA)

Terri Fisher (GA)

Tom Prevo (NB)

Training & Education

Chair: Jennifer Viets (MT)

Shelley Scott (LA)

Amy Mancuso (SD)

Marci Dennehy (TSAVOLE)

Nominations

Chair: Phil Colby (VT)

Jennifer Viets (MT)

Shelley Scott (LA)

Hall of Fame

Chair: Phil Colby

Bill Clinton (AR)

Steve Correll (Nlets)

Curt Wood (MA)

Brad Long (Alumni)

Hosting Progress
Dedication **Leadership** **International**
Data Exchange **Nlets** **Photos**
Innovation **Partnerships**
Public Safety



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