INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

Mission
Our mission is to provide independent, relevant, and timely oversight of the Department of Defense that supports the warfighter; promotes accountability, integrity, and efficiency; advises the Secretary of Defense and Congress; and informs the public.

Vision
Our vision is to be a model oversight organization in the Federal Government by leading change, speaking truth, and promoting excellence—a diverse organization, working together as one professional team, recognized as leaders in our field.

Fraud, Waste, & Abuse HOTLINE
Department of Defense
dodig.mil/hotline 800-424-9098

For more information about whistleblower protection, please see the inside back cover.
March 13, 2017

(U) Objective

(U) We determined whether the Department of the Navy is effectively developing and managing the Surface Electronic Warfare Improvement Program (SEWIP) capabilities.

(U) Background

(U) SEWIP is an incremental upgrade to the AN/SLQ-32 Electronic Warfare system, which provides early detection, signal analysis, threat warning, and protection from missiles. The Program Executive Office Integrated Warfare Systems Above Water Sensors (PEO IWS 2.0) is modernizing the AN/SLQ-32 to deliver advanced capabilities to the fleet through four incremental upgrades, Blocks 1 through 4.

(U) Block 1 provides enhanced Electronic Warfare capabilities to existing and new ship combat systems. Block 1 upgrades include Blocks 1A, 1B1, 1B2, and 1B3. Block 2 will provide enhanced Electronic Support capability by upgrading the Electronic Support antenna and receiver, and an open-combat system interface. In March 2008, the Navy conducted initial operational test and evaluation (IOT&E) for Blocks 1B1 and 1B2. In February 2009, Navy officials approved Blocks 1B1 and 1B2 to enter full-rate production. The Navy held two phases of IOT&E for Blocks 1B3 and 2; the first phase began in July 2014, and the second phase began in May 2016. In October 2016, Navy officials approved Block 1B3 and Block 2 to enter full-rate production. According to a PEO IWS 2.0 official, the Navy consolidated Block 1B3 and

(U) Findings

(U//FOUO) The PEO IWS 2.0 did not effectively develop and manage Electronic Warfare capabilities for Blocks 1B1 and 1B2. This occurred because the PEO IWS 2.0 did not resolve all major deficiencies before or after entering full-rate production. As a result, and the PEO IWS 2.0 will spend additional funds to resolve deficiencies

(U//FOUO) In addition, the PEO IWS 2.0 did not effectively develop and manage Electronic Warfare and Electronic Support capabilities for Block 2. This occurred because the Navy waived to stay on schedule, instead of correcting the problems before proceeding into IOT&E. As a result, the PEO IWS 2.0 spent $1.8 million to conduct a second phase of IOT&E for Block 2, and the acquisition schedule increased by almost 2 years.

(U) Recommendations

(U) We recommend that the Program Executive Officer, Program Executive Office Integrated Warfare System, correct SEWIP Blocks 1B1, 1B2, and 2 deficiencies and review and resolve future that may impact testing, prior to IOT&E, when appropriate.

---

1 (U) Electronic Support provides battlespace awareness, targeting data, and combat identification for U.S. Forces.
(U) Results in Brief

(U//FOUO) Surface Electronic Warfare Improvement Program

(U) Management Comments and Our Response

(U) The Deputy Inspector General, Naval Sea Systems Command, responding for the Program Executive Officer, Program Executive Office Integrated Warfare System, addressed the specifics of the recommendations.

(U//FOUO) The Deputy Inspector General, Naval Sea Systems Command, agreed with our recommendation to correct SEWIP Blocks 1B1 and 1B2 deficiencies. The Deputy Inspector General stated that Blocks 1B1 and 1B2 are being replaced by Blocks 1B3 and 2. We will close this recommendation when we receive a transition schedule and verification that...

(U//FOUO) The Deputy Inspector General, Naval Sea Systems Command, agreed with our recommendation to correct SEWIP Block 2 deficiencies and stated that the PEO IWS will continue to work with Commander, Operational Test and Evaluation Force (COMOPTEVFOR) to close the remaining deficiencies... We will close this recommendation when we receive documentation that shows that the PEO IWS 2.0 corrected outstanding deficiencies...

(U) The Deputy Inspector General, Naval Sea Systems Command, agreed with our recommendation to review and resolve future... and stated that the PEO IWS will continue to correct problems that may impact testing, before initial operational test and evaluation, when appropriate. We consider this recommendation closed.

(U) Please see the Recommendations Table on the next page.
(U) **Recommendations Table**

<table>
<thead>
<tr>
<th>(U) Management</th>
<th>(U) Recommendations Unresolved</th>
<th>(U) Recommendations Resolved</th>
<th>(U) Recommendations Closed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(U) Program Executive Officer, Program Executive Office Integrated Warfare System</td>
<td>(U) None</td>
<td>(U) A.1 and B.1.a</td>
<td>(U) B.1.b</td>
</tr>
</tbody>
</table>

(U) NOTE: The following categories are used to describe agency management’s comments to individual recommendations.

- **(U) Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.

- **(U) Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.

- **(U) Closed** – OIG verified that the agreed upon corrective actions were implemented.