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Office of Inspector General United States Department of State

ISP-I-20-08

Office of Inspections

December 2019

Inspection of Embassy Helsinki, Finland

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

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HIGHLIGHTS

Office of Inspector General United States Department of State

ISP-I-20-08

What OIG Inspected

OIG inspected the executive direction, consular services, resource management, and information management operations of Embassy Helsinki.

What OIG Recommends

OIG made 4 recommendations to Embassy Helsinki.

In its comments on the draft report, Embassy Helsinki concurred with all 4 recommendations. OIG considers all 4 recommendations resolved. The embassy's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The embassy's formal written response is reprinted in its entirety in Appendix B.

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OFFICE OF INSPECTIONS

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

Inspection of Embassy Helsinki, Finland

What OIG Found

- Embassy leadership used their ready access to the senior-most levels of the Government of Finland to the benefit of U.S. foreign policy goals and objectives.
- The Ambassador and the Deputy Chief of Mission did not manage conflict between them in an appropriate manner, which resulted in a breakdown of trust and communication that complicated the chain of command and contributed to a stressful work environment for Embassy Helsinki staff.
- Lack of teamwork and communication between Consular Section leadership and staff had a negative effect on productivity and morale.
- The embassy lacked policies for some information management support services.

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CONTEXT

Part of Sweden from the 12th to 19th centuries and an autonomous territory within Russia between 1809 and 1917, Finland gained independent nation status in December 1917. Finland is slightly smaller than Montana and, as of July 2018, had an estimated population of more than 5.5 million people. Located in northern Europe, Finland shares land borders with Norway, Russia, and Sweden. Finland became a full member of the European Union (EU) in 1995 and joined the EU's Economic and Monetary Union in 1999, making it the only Nordic country to adopt the euro.

Finland has a strong market-based economy and is consistently rated in the top 15 countries with the best standard of living. Exports of goods and services totaled more than \$244 billion in 2017, accounting for 38 percent of Finland's gross domestic product. Finland's Prime Minister, Juha Sipila, resigned in March 2019, after his unpopular health plan was rejected by the Finnish Parliament. At the request of the Finnish President, he agreed to remain in office as a "caretaker" prime minister until the April 2019 parliamentary election. In April 2019, the Finnish Parliament elected Antti Rinne, leader of the Social Democratic Party, as the new Prime Minister. He was sworn in on June 6, 2019.

The United States and Finland marked 100 years of diplomatic relations in 2019. The United States is Finland's third-largest export market (around 7 percent of total exports, consisting of pulp and paper, ships, machinery, electronics, and refined petroleum products) and fifth-largest trading partner. An estimated 7,000 U.S. citizens reside in Finland, and another 230,000 visit annually. Finland is not a formal member of the North Atlantic Treaty Organization (NATO) but, with U.S. support, achieved NATO Enhanced Opportunities Partner status in 2014¹ and established the European Center of Excellence for Countering Hybrid Threats in 2017.²

The three overarching goals of U.S. involvement with Finland, as identified in Embassy Helsinki's 2018 to 2021 Integrated Country Strategy (ICS), are to:

- Support Finland's efforts to increase its contributions to European democracy building and to defense cooperation and collaboration with NATO.
- Promote Finnish and EU-wide trade and investment with the United States.
- Advance shared global priorities that include Arctic Ocean safety, security, and stewardship; environmentally responsible economic development; a rules-based international framework to govern activities in the Arctic; and activities related to the Coalition to Defeat the Islamic State of Iraq and Syria and NATO's Resolute Support Mission in Afghanistan.

¹ NATO approved the Enhanced Opportunity Partners program at the Wales Summit in 2014. The program gave five non-member countries that significantly contribute to NATO operations—Australia, Finland, Georgia, Jordan, and Sweden—a special status within the alliance. This status gives the five partners privileged access to NATO-only ministerial meetings and exercises.

² The center is an EU- and NATO-supported initiative, with participation open to EU member states and NATO allies.

At the time of the inspection, Embassy Helsinki had 49 U.S. authorized staff members, 6 eligible family members, and 71 locally employed (LE) staff. Other U.S. Government agencies represented at the embassy were the Departments of Commerce and Defense and the U.S. Agency for Global Media.

OIG evaluated the embassy's executive direction, consular services, resource management, and information management operations, consistent with Section 209 of the Foreign Service Act of 1980.³ A related classified inspection report discusses the embassy's security program and issues affecting the safety of mission personnel and facilities as well as a sensitive finding related to the embassy's information management operations.

EXECUTIVE DIRECTION

OIG assessed leadership on the basis of interviews, staff questionnaires, and OIG's review of documents and observations of embassy meetings and activities during the course of the on-site inspection.

Tone at the Top and Standards of Conduct

The Chief of Mission was a first-time, non-career Ambassador who arrived in May 2018. The Ambassador was the founder and Chairman of the Board of a commercial real estate development company. The Deputy Chief of Mission (DCM) was a career Senior Foreign Service officer who arrived in August 2016. A first-time DCM, she served as Chargé d'Affaires (Chargé) from January 2017 until the arrival of the current Ambassador in May 2018. She previously was detailed to the Department of Defense as the acting Director for Southeast Asia in the Office of the Secretary of Defense (Policy). During the inspection, the DCM was in the process of transferring to her onward assignment and was scheduled to depart Helsinki on June 1, 2019.

OIG found that neither the Ambassador nor the DCM fully modeled the Department of State's (Department) leadership and management principles outlined in 3 Foreign Affairs Manual (FAM) 1214. Embassy staff told OIG that, initially, the two leaders worked reasonably well together. However, about 9 months into the Ambassador's tenure, their working relationship deteriorated. In separate discussions with the Ambassador and the DCM, OIG noted that there was profound disagreement between the two about what led to the breakdown. OIG received information about various issues that contributed to the poor relationship, but ultimately concluded that neither the Ambassador nor the DCM managed the conflict in an appropriate manner, as called for in 3 FAM 1214b(9). According to embassy staff interviewed by OIG, the conflict led to a breakdown of trust and communication between the Ambassador and DCM that complicated the chain of command and decision-making. The conflict also contributed to creating a stressful work environment for embassy staff. For example, because of the dysfunctional relationship between the Ambassador and DCM, staff stated that it was not

³ See Appendix A.

always apparent to whom they should report and who was making decisions on particular issues. Senior staff members described themselves as “caught in the middle.”

OIG discussed with the DCM her role in the conflict and, related to one particular issue, advised her that, even though she had been serving as the Chargé and was in command at the embassy in the Ambassador’s absence, it would have been prudent for her to have consulted with the Ambassador before signing off on what she acknowledged to be an important and potentially controversial action. At the time of the inspection, she agreed. OIG concluded that the DCM’s approach on this issue contributed to the troubled working relationship.

In discussions with the Ambassador about the conflict, he told OIG that, with the DCM departing in a few weeks and a new DCM scheduled to arrive at the end of June 2019, he was confident that employee morale would improve. However, based on OIG’s interviews with U.S. direct hire employees and LE staff, OIG advised the Ambassador that elements of his leadership and management style also contributed to the stressful workplace environment. OIG encouraged the Ambassador to:

- Meet regularly, substantively, and face-to-face with individual Department section and other agency heads to provide performance feedback and to determine how the Front Office could assist each section and agency to achieve the embassy’s goals.
- Document his general instructions to all staff regarding the issues he expected to come to him for approval and how he wanted the information formatted and provided to him.
- “Walk the halls” to observe and interact with the various sections so that he could better understand the embassy’s functions and operations.
- Meet regularly with the leaders of the LE Staff Committee to understand and address the unique concerns of the LE staff.
- Solicit formal feedback on embassy-wide performance and morale to obtain information to formulate specific actions to address employee concerns.

OIG also provided the Ambassador with Department tools to help chiefs of mission lead their embassies. These tools included the Department’s morale survey that is used to solicit feedback from staff and identify issues that are negatively affecting morale.⁴

Embassy Did Not Comply with Department Standards on Gifts Between Employees

OIG found that embassy staff did not comply with Department standards for the solicitation of gifts. Specifically, embassy staff solicited other staff for voluntary donations to purchase a birthday gift of nominal value for the Ambassador, which was to be presented to him at a scheduled embassy event. OIG concluded that, although the solicitation was well-meant, both the request and the proposed gift itself—even one of nominal value—are prohibited by 11 FAM 613.3. Subsequently, embassy staff ended the solicitation, returned all funds to donors, and did

⁴ The morale survey tool was developed by a regional medical officer/psychiatrist and is available to all chiefs of mission and regional bureau leaders.

not purchase a gift. OIG advised the embassy that it should issue a written gift policy to remind staff of the Department's ethics requirements related to gifts. Because the Ambassador approved a written gift policy shortly after the on-site portion of the inspection, OIG did not make a recommendation to address this issue.

Execution of Foreign Policy Goals and Objectives

The Ambassador and the DCM used their access to the senior levels of the Finnish Government to the benefit of the embassy's foreign policy goals and objectives. For example, in the past year, the Department praised Embassy Helsinki for its facilitation of a July 2018 summit between President Trump and Russian President Vladimir Putin and a May 2019 Arctic Council ministerial attended by the Secretary of State. Also, beginning in early April 2019, the Ambassador was actively engaged in reviewing demarche requests from Washington and, in consultation with senior Department officials, in delivering and reporting on these requests to the host government.

The heads of non-State agencies at the embassy told OIG they were satisfied with the interagency coordination process and that their respective agency's interests were reflected in the embassy's ICS.

Adherence to Internal Controls

The Ambassador and DCM reviewed and signed the 2018 annual Statement of Assurance on Management Controls, which was submitted on time and was completed in accordance with requirements in 2 FAM 024d. The Management Officer coordinated the embassy's internal control review process and consulted with section heads for their input. The Ambassador reviewed the statement prior to approving it, in accordance with 2 FAM 022.7(2). The embassy did not identify any significant deficiencies in its statement of assurance. However, during the inspection, OIG found some deficiencies in the general services and information management operations, as described later in this report. OIG noted that the DCM regularly reviewed the nonimmigrant visa adjudications of the Consul General, as required by 9 FAM 403.12-1 and 9 FAM 403.12-2.

Security and Emergency Planning

Both the Ambassador and the DCM supported and participated in security drills and crisis management exercises, consistent with Department guidance in 12 Foreign Affairs Handbook (FAH)-1 H-761 and 762. The embassy updated its Emergency Action Plan in March 2019, and both the DCM and Regional Security Officer instructed all employees to familiarize themselves with it. Additionally, the embassy completed its annual review of the Memorandum of Understanding on Security of Department of Defense Elements and Personnel between the Ambassador and the Commander of the European Command and had informed Washington as required by cable 10 STATE 92494.⁵

⁵ Cable 10 STATE 92494, "Review of MOA Between COMs and GEOCOCOMs on DOD Elements," September 2, 2010.

Developing and Mentoring Foreign Service Professionals

OIG found that the embassy lacked a formal, structured First- and Second-Tour (FAST) program to provide professional development training and opportunities for the embassy's three FAST officers. In addition to the requirements set forth in 3 FAM 2242.4 and 3 FAM 2253.1, Department officials have made clear in guidance⁶ to ambassadors and DCMs that they expect them to contribute actively to the professional development of FAST officers. OIG determined that, in the 6 months prior to the inspection, several FAST activities had taken place, such as brown bag discussions and opportunities to serve as control officers for high-level visitors. However, because the embassy lacked a formal, written FAST program, FAST officers were not receiving regular, structured professional development, mentoring, training, and opportunities, as mandated by Department standards.

Recommendation 1: Embassy Helsinki should develop and implement a First- and Second-Tour program that complies with Department standards. (Action: Embassy Helsinki)

CONSULAR SERVICES

OIG reviewed Embassy Helsinki's consular operations, including American citizens services and nonimmigrant and immigrant visa services. OIG found that all consular programs complied with guidance in 7 FAM, 9 FAM, 7 FAH, applicable statutes, and other Department standards, with the exception noted below.

The consular chief focused on process improvement to implement required management controls in the section; however, consular staff reported that lack of teamwork and communication between the consular chief and section staff had a negative effect on productivity and morale. OIG notes that this is consistent with conclusions reached during the most recent visit to Embassy Helsinki in September 2018 by the Regional Consular Officer.⁷ The officer identified 16 management and oversight issues and discussed strategies with the consular chief to address the section's communication, morale, and performance, all of which the embassy was addressing at the time of the inspection. OIG advised the consular chief to use the Bureau of Consular Affairs management framework⁸ and leadership tenets to improve the section's communication and cohesiveness, which he agreed to do.

⁶ Cable 17 STATE 107128, "Committed to Effective Leadership: Value and Develop People," October 25, 2017, and cable 16 STATE 60232, "New Mentoring Initiatives for a Stronger Department of State," May 26, 2016.

⁷ The Consular Section was supported by a Regional Consular Officer based in Frankfurt, Germany.

⁸ The Bureau of Consular Affairs created the Consular Leadership Tenets as a values-based approach to leadership. Additionally, the bureau developed the 1CA Management Framework, which is designed to complement the Leadership Tenets and give consular staff tools to analyze and address common consular management and leadership issues.

RESOURCE MANAGEMENT

OIG reviewed Embassy Helsinki's general services, financial management, human resources, medical, community liaison, and facilities management operations. OIG found that the Management Section generally implemented required processes and procedures in accordance with applicable laws and Department guidance, except for the deficiency described below.

Embassy Did Not Dispose of Property in a Timely Manner

The embassy failed to dispose of expendable property in a timely manner. Guidance in 14 FAM 124.7a states that there is "an inherent necessity" to remove property that is no longer useful, efficient, contemporary, or desirable. However, OIG determined that 33 percent of the embassy's property was stored in the warehouse for an average of 2 years and had a value of more than \$1.3 million. Embassy staff told OIG that property disposal was a low priority because ample warehouse space was available. In addition, staff told OIG they believed the time they would need to invest in preparing the property for disposal would exceed the net sales proceeds. Notwithstanding these explanations, disposing of excess expendable property that is no longer useful would enable the embassy to put the sales proceeds to better use.

Recommendation 2: Embassy Helsinki should dispose of excess expendable property in accordance with Department standards and put up to \$1.3 million to better use. (Action: Embassy Helsinki)

INFORMATION MANAGEMENT

OIG reviewed classified, unclassified, and dedicated internet network operations; physical protection of information technology assets; classified communications security; emergency communication preparedness; radio and telephone programs; and mail and pouch services. OIG found that the Information Management (IM) Section met the day-to-day computing and communications needs of the embassy; however, OIG identified several deficiencies as discussed below and in the companion classified report.

Embassy Lacked Standard Operating Procedures for Managing User Accounts

Embassy Helsinki did not have standard operating procedures for managing user accounts. According to 5 FAM 867, managers must maintain documentation for all aspects of computer support and operations to ensure continuity and consistency. However, OIG found that the IM Section had not established user account management procedures for arriving and departing personnel, including issuance and relinquishment of personal identity verification cards. As a result, incoming personnel experienced delays in the administrative process for their user verification cards, and departing personnel sometimes transferred without notifying IM staff or returning their personal identity verification cards. The absence of established account management procedures adversely affects the overall management and effectiveness of IM operations.

Recommendation 3: Embassy Helsinki should implement standard operating procedures for managing user account management operations in accordance with Department standards.
(Action: Embassy Helsinki)

Embassy Lacked Policies for Audio and Visual Support Services

Embassy Helsinki did not have policies for requesting audio and visual support services from IM staff. For example, the embassy hosted diplomatic outreach and U.S. trade promotion events in the embassy's Innovation Center that required technical support from IM staff. These events occurred two to three times a week during the embassy's business hours, and the amount of technical support required varied depending on the event. OIG found that support required for events had generally increased over the past 2 years but that requests were not always coordinated in advance with IM management. As a result of the volume of outreach events, coupled with sometimes last-minute notifications that audio and visual support was needed from IM Section staff, the section's staff were not always able to fully focus on the operational support required for the embassy's IT networks. Guidance in 5 FAM 121.1b(7) states that the Information Management Officer is responsible for providing effective, efficient, and secure IM operations. The Information Management Officer had drafted a policy for embassy users to request IM Section support for outreach events; however, the policy had not been formally approved at the time of the inspection. Without an established policy, the embassy is at increased risk of being unable to ensure the operational support required for its IM operations.

Recommendation 4: Embassy Helsinki should establish and implement a policy for requesting audio and visual support services for outreach events held at the embassy.
(Action: Embassy Helsinki)

RECOMMENDATIONS

OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to Embassy Helsinki. The embassy's complete response can be found in Appendix B. The embassy also provided technical comments that were incorporated into this report, as appropriate.

Recommendation 1: Embassy Helsinki should develop and implement a First- and Second-Tour program that complies with Department standards. (Action: Embassy Helsinki)

Management Response: In its December 23, 2019, response, Embassy Helsinki concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of a First- and Second-Tour program that complies with Department standards.

Recommendation 2: Embassy Helsinki should dispose of excess expendable property in accordance with Department standards and put up to \$1.3 million to better use. (Action: Embassy Helsinki)

Management Response: In its December 23, 2019, response, Embassy Helsinki concurred with this recommendation. The embassy noted expected completion by the end of FY 2020.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the embassy disposed of excess expendable property in accordance with Department standards.

Recommendation 3: Embassy Helsinki should implement standard operating procedures for managing user account management operations in accordance with Department standards. (Action: Embassy Helsinki)

Management Response: In its December 23, 2019, response, Embassy Helsinki concurred with this recommendation. The embassy noted expected completion in the first quarter of 2020.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of standard operating procedures for managing user account management operations.

Recommendation 4: Embassy Helsinki should establish and implement a policy for requesting audio and visual support services for outreach events held at the embassy. (Action: Embassy Helsinki)

Management Response: In its December 23, 2019, response, Embassy Helsinki concurred with this recommendation. The embassy noted expected completion in the first quarter of 2020.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of a policy for requesting audio and visual support services for outreach events held at the embassy.

PRINCIPAL OFFICIALS

Title	Name	Arrival Date
Chiefs of Mission:		
Ambassador	Robert Pence	5/2018
Deputy Chief of Mission	Donna Welton	8/2016
Chiefs of Sections:		
Management	Lisa Ficek	7/2017
Consular	Jeremy Wisemiller	7/2017
Political/Economic	Shawn Waddoups	1/2016
Public Affairs	Thomas Grubisha	7/2016
Regional Security	Jonathan Poole	9/2016
Other Agencies:		
Department of Defense	Col. Keith Felter	5/2018
U.S. Commercial Service	Aaron Held	12/2017

Source: Generated by OIG from data provided by Embassy Helsinki.

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted from March 18 to September 3, 2019, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM).

Objectives and Scope

The Office of Inspections provides the Secretary of State, the Chief Executive Officer of USAGM, and Congress with systematic and independent evaluations of the operations of the Department and USAGM. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved and U.S. interests are accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy; and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; and whether instances of fraud, waste, or abuse exist and whether adequate steps for detection, correction, and prevention have been taken.

Methodology

In conducting inspections, OIG uses a risk-based approach to prepare for each inspection; reviews pertinent records; circulates surveys and compiles the results, as appropriate; conducts interviews with Department and on-site personnel; observes daily operations; and reviews the substance of the report and its findings and recommendations with offices, individuals, and organizations affected by the review. OIG uses professional judgment, along with physical, documentary, testimonial, and analytical evidence collected or generated, to develop findings, conclusions, and actionable recommendations.

APPENDIX B: MANAGEMENT RESPONSE

Helsinki, Finland

December 23, 2019

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TO: OIG – Sandra Lewis, Assistant Inspector General for Inspections

THROUGH: EUR – Philip Reeker, Acting Assistant Secretary

FROM: U.S. Embassy Helsinki – Ambassador Robert Frank Pence

SUBJECT: Response to Draft OIG Report – Inspection of Embassy Helsinki

Embassy Helsinki has reviewed the draft OIG inspection report. We provide the following comments in response to the recommendations provided by OIG:

Recommendation 1: Embassy Helsinki should develop and implement a First- and Second-Tour program that complies with Department standards.

Response: Embassy Helsinki concurs with the recommendation and has implemented it.

Recommendation 2: Embassy Helsinki should dispose of excess expendable property in accordance with Department standards and put up to \$1.3 million to better use.

Response: Embassy Helsinki concurs with the recommendation and will complete implementation by end of FY 2020. Post has already disposed of or transferred approximately \$870,000 in property from the warehouse.

Recommendation 3: Embassy Helsinki should implement standard operating procedures for managing user account management operations in accordance with Department standards.

Response: Embassy Helsinki concurs with the recommendation and will complete implementation in the first quarter of 2020.

Recommendation 4: Embassy Helsinki should establish and implement a policy for requesting audio and visual support services for outreach events held at the Embassy.

Response: Embassy Helsinki concurs with the recommendation and will complete implementation in the first quarter of 2020. Unlike many overseas missions, Helsinki currently does not have a position specifically dedicated to this service. We are exploring outsourcing A/V service support as an option.

ABBREVIATIONS

DCM	Deputy Chief of Mission
EU	European Union
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FAST	First and Second Tour
ICS	Integrated Country Strategy
IM	Information Management
LE	Locally Employed
NATO	North Atlantic Treaty Organization

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