Text consolidated by Valsts valodas centrs (State Language Centre) with amending laws of:

28 October 2004 [shall come into force on 24 November 2004];

12 June 2009 [shall come into force on 1 July 2009];

16 December 2010 [shall come into force on 1 January 2011];

3 March 2011 [shall come into force on 1 April 2011];

8 July 2019 [shall come into force on 23 July 2019].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*1 has adopted and

the President has proclaimed the following law:

**Law on the Society Integration Foundation**

**Section 1. Scope of Application of the Law**

This Law prescribes the procedures for the establishment, management and supervision of the Society Integration Foundation, and also for the accumulation and use funds.

**Section 2. Legal Status and Subordination of the Foundation**

(1) The Society Integration Foundation (hereinafter – the Foundation) is a derived legal person governed by public law (public foundation) which is established under this Law and operates in accordance with this Law, other laws and regulations, and the By-laws of the Foundation which shall be approved by the Cabinet.

(2) The decision-making body of the Foundation shall be the Council of the Foundation.

(3) The Foundation is under institutional supervision of the Prime Minister. The Prime Minister shall supervise the legality of the operations of the Foundation.

(4) The form and content of the functional subordination of the Foundation shall be stipulated by laws and regulations in accordance with which the Foundation performs the respective State administration functions or tasks.

(5) When administering sub-programmes of the State budget in the field of social integration, the Foundation is under the functional supervision of the Minister for Culture.

[*3 March 2011; 8 July 2019*]

**Section 3. Purpose and Tasks of the Foundation**

(1) The purpose of the Foundation is to financially support and facilitate social integration in conformity with development planning documents. The Foundation shall also support the implementation of development programmes and projects of the public and non-governmental sector.

(2) The Foundation shall have the following tasks:

1) to attract, accumulate, manage funds and allocate them for the implementation of social integration and public and non-governmental sector development projects;

2) to determine criteria and develop basic principles for the evaluation of social integration and public and non-governmental sector development projects;

3) to determine criteria and develop methodological guidelines for the preparation and submission of applications for social integration and public and non-governmental sector development projects;

4) to announce and organise calls for proposals of social integration and public and non-governmental sector development projects for the receipt of funding;

5) [3 March 2011];

6) to ensure complete transparency of its operations;

7) upon granting the funding, to publish information on the amount of the funding of the social integration and public and non-governmental sector development project and source of its grant on its website;

8) to manage and update the publicly available database of social integration and public and non-governmental sector development projects submitted to the Foundation and financed thereby, and also to receive and analyse information on potential projects to be financed;

9) to purposefully and efficiently manage the allocated funding by ensuring control over the use of the funds;

10) to prepare and publish the annual report on the operations of the Foundation on the website;

11) to develop the operational strategy of the Foundation in conformity with the social integration policy planning documents and other development planning documents;

12) to implement the projects co-funded through European Union policy instruments and other foreign financial assistance as the beneficiary of funding.

(3) Operation of the Foundation shall be open.

[*3 March 2011; 8 July 2019*]

**Section 4. Rights of the Foundation**

(1) The Foundation has the right to:

1) receive funding from the State budget and local government budgets;

2) receive gifts and donations (in the form of funds and property) to be used for the implementation of the objectives of the Foundation;

3) receive free of charge from the State and local government authorities the information necessary to ensure its operation;

4) perform economic activity in relation to the implementation of the objectives of the Foundation;

5) acquire ownership of movable and immovable properties both in Latvia and abroad;

6) implement such programmes and grant schemes of legal and natural persons (including foreign legal and natural persons) which correspond to the purpose of the Foundation;

7) ensure implementation of such programmes financed through European Union policy instruments and other foreign financial assistance which correspond to the purpose of the Foundation.

(2) Donations of legal and natural persons, including foreign legal and natural persons, shall be used by the Foundation for the purposes indicated by the donor. If a donor has not indicated the purpose of the donation, then the donation shall be used in accordance with procedures laid down in Section 6 of this Law.

[*3 March 2011*]

**Section 5. Funds of the Foundation and Their Use**

(1) Funds of the Foundation shall be comprised of:

1) funds from the State budget and local government budgets;

2) gifts and donations of legal and natural persons, including foreign legal and natural persons;

3) income from economic activities.

(2) The funds allocated from the State budget shall be kept in the Treasury.

(3) The funds allocated from local government budgets and also the money gifted and donated by legal and natural persons, including foreign legal and natural persons, shall be kept at a bank which may be indicated by the giver or donor.

(4) The funds of the Foundation shall be used in conformity with the purpose and tasks of the Foundation, and also to ensure the operation of the Foundation. Balance of the funds of the Foundation at the end of the financial year shall be used to cover expenditures of the Foundation in the next financial year, and it shall not be taxed with personal income tax.

(5) The authority the State budgetary request of which includes funds from the State budget to be allocated to the Foundation shall draw up the respective part of the State budgetary request by cooperating and consulting with the Foundation.

(6) The Cabinet shall govern the regulations for granting, managing, supervising and controlling the co-funding of non-governmental organisations.

[*3 March 2011*]

**Section 6. Procedures for the Distribution of the Funds of the Foundation**

The funds of the Foundation shall be distributed based on the purpose and tasks of the Foundation, and also the guidelines of the relevant State programme in accordance with the procedures laid down in the By-laws of the Foundation.

**Section 7. Restrictions on the Activities of the Foundation**

(1) The Foundation does not have the right to undertake commitments at the expense of the property of the Foundation if such commitments are not directly related to the purpose and tasks of the Foundation.

(2) Claims against the Foundation and the claims included in the property of the Foundation may not be mutually set-off.

(3) The property of the Foundation may not be pledged or otherwise encumbered.

(4) The Foundation may not be a shareholder (stockholder) of a company, purchase securities, undertake commitments arising from guarantee agreements, enter into loan contracts, and also gift, lend or donate property of the Foundation.

(5) The Foundation may implement the projects referred to in Section 3, Paragraph two, Clause 12 of this Law only with approval of the Council of the Foundation and by the decision of the Cabinet.

[*8 July 2019*]

**Section 8. Structure of the Foundation**

The Foundation shall be managed by the Council of the Foundation, its operations shall be ensured by the Secretariat, and social integration projects shall be evaluated by a relevant committee.

**Section 9. Council of the Foundation**

(1) The composition of the Council of the Foundation shall include:

1) a representative of the Prime Minister, the Minister for Culture, the Minister for Education and Science, the Minister for Welfare, the Minister for Environmental Protection and Regional Development, and also the Minister for Justice;

2) four members of non-governmental organisations.

(2) The non-governmental organizations represented in the Council of the Foundation shall be designated for three years. The Cabinet shall determine the criteria by which the non-governmental organizations which are entitled to delegate their member to work in the Council of the Foundation shall be designated and the procedures for designating such organisations. Powers of the representatives of non-governmental organisations included in the Council of the Foundation shall continue until other non-governmental organizations which delegate other representative to work in the Council of the Foundation are designated under the specified procedures.

(3) Members of the Council of the Foundation shall make their decisions independently based on development planning documents and laws and regulations.

(4) Members of the Council of the Foundation shall elect the Chairperson of the Council of the Foundation from among their members for five years. The Chairperson of the Council of the Foundation shall manage the work of the Council of the Foundation. The same person may not be the Chairperson of the Council for more than five consecutive years.

(5) Members of the Council of the Foundation shall not receive remuneration for participation in meetings of the Council of the Foundation. The representatives of non-governmental organisations included in the composition of the Council of the Foundation shall receive remuneration. The amount of remuneration shall be determined by the Cabinet.

(6) The ministers included in the composition of the Council of the Foundation may be substituted by a person authorised by the minister. The Parliamentary Secretary, State Secretary, Deputy State Secretary or the head of a unit of a ministry may be the person authorised by a minister.

[*3 March 2011; 8 July 2019 / New wording of Paragraph five shall come into force on 1 January 2020. See Paragraphs 6 and 10 of Transitional Provisions*]

**Section 10. Meetings and Decision-Making of the Council of the Foundation**

(1) Meetings of the Council of the Foundation shall be convened by the Chairperson of the Council of the Foundation.

(2) Meetings of the Council of the Foundation shall be convened as necessary but at least once every three months. The Chairperson of the Council of the Foundation must, within two weeks, convene a meeting of the Council of the Foundation if it is requested by at least one third of the members of the Council of the Foundation.

(3) Minutes of the meetings of the Council of the Foundation shall be recorded. Minutes of the meetings of the Council of the Foundation shall be signed by the Chairperson of the Council of the Foundation. Minutes of the meetings of the Council of the Foundation shall be available on the website of the Foundation within 10 days after the meeting.

(4) Meetings of the Council of the Foundation shall be quorate if at least seven members of the Council of the Foundation participate therein. The Council of the Foundation shall take a decision by an absolute majority of the members of the Council of the Foundation present if at least seven members of the Council of the Foundation have voted on the decision.

(5) In face-to-face meetings, the Council of the Foundation shall decide on:

1) operational strategy;

2) annual priorities and deliverables;

3) additional tasks and activities (initiatives) to be implemented;

4) use of the funds from the State budget allocated to the Foundation;

5) long-term commitments of the funds from the State budget allocated to the Foundation in the projects and measures co-financed through European Union policy instruments and other foreign financial assistance;

6) requirements for the rules of a tender;

7) audit reports;

8) reports on the achievement of the annual results;

9) contested administrative acts and actual actions of the Secretariat of the Foundation;

10) other matters which have been proposed to be examined face-to-face by one or several member of the Council of the Foundation.

[*28 October 2004; 8 July 2019*]

**Section 11. Secretariat of the Foundation**

(1) The Secretariat of the Foundation shall, in accordance with legal acts, perform the tasks determined by the Council of the Foundation and ensure operations of the Foundation according to instructions of the Council of the Foundation or its Chairperson.

(2) The Secretariat shall be headed by a Director who is appointed to the position by the Council of the Foundation.

(3) A candidate to the position of the Director of the Secretariat shall be selected in an open call for applications for five years, but for not more than two consecutive terms. The procedures for organising the open call for applications and criteria for selecting a candidate to the position of the Director of the Secretariat shall be determined by the Council of the Foundation.

[*3 March 2011; 8 July 2019*]

**Section 12. Committees of the Foundation**

(1) Committees of the Foundation shall evaluate the submitted social integration and public and non-governmental sector development projects and shall propose to approve or reject them based on the laws and regulations and the By-laws of the Foundation.

(2) The Council of the Foundation shall form the committees of the Foundation and approve their members and by-laws, unless an external legal act provides otherwise.

(3) Each committee shall consist of at least five members at least one of whom represents the State authority which has competence for the matters under the responsibility of the relevant committee.

(4) The work of a committee shall be managed by its chairperson. The chairperson shall be elected by the respective committee from among its members.

(5) The term of office for the members of a committee shall not exceed two years.

(6) The projects which are financed through European Union policy instruments or foreign financial assistance shall be evaluated in accordance with the documents governing the respective instruments or financial assistance.

[*3 March 2011*]

**Section 13. Accounting Records**

(1) The Foundation shall keep accounting records in conformity with the requirements of laws and regulations and shall submit a report on the use of funds in conformity with the requirements of this Law, the law On Accounting and other laws and regulations.

(2) At the end of the financial year, the Foundation shall prepare and publish an annual public report to inform the society of the use of the funds under the Foundation in accordance with the purpose and tasks of the Foundation.

[*28 October 2004*]

**Section 14. Internal Auditing of the Foundation**

The By-laws of the Foundation shall determine the internal auditing procedures of the Foundation.

**Section 15. Control of the Rule of Law in the Operations of the Foundation**

(1) The administrative acts and actual actions of the Secretariat of the Foundation may be appealed before the Council of the Foundation unless an external legal act provides other procedures for appeal. The minister responsible for the specific State budget programme or a person authorised thereby and also the person who contested the administrative act or actual actions shall participate in the meeting of the Council of the Foundation where the matter is examined. The administrative acts and actual actions of the Council of the Foundation may be appealed before an administrative court.

(2) The Chairperson of the Council of the Foundation shall be responsible for ensuring that the meetings of the Council of the Foundation are convened and held in accordance with laws and regulations, and also for ensuring the rule of law in the Secretariat of the Foundation in accordance with the procedures specified in the By-laws of the Foundation.

[*8 July 2019*]

**Transitional Provisions**

1. The Cabinet shall approve the By-laws of the Society Integration Foundation until 1 September 2001.

2. The Cabinet shall prepare and submit to the *Saeima* a draft law on amendments to the law On the State Budget for 2001 providing therein for the transfer of the State budget funds allocated to the Ministry of Justice for ensuring the operation of the Society Integration Foundation directly to the Society Integration Foundation.

3. The Cabinet shall, by 1 July 2011, determine the criteria by which the non-governmental organizations which are entitled to delegate their member to work in the Council of the Foundation shall be designated and the procedures for designating such organisations.

[*3 March 2011*]

4. Until the day when the Council of the Foundation approves the By-laws of the Foundation, but not later than until 1 July 2011, the Cabinet Regulation No. 390 of 28 August 2011, By-laws of the Society Integration Foundation, shall be applicable insofar as it is not in contradiction with this Law.

[*3 March 2011*]

5. After the amendment regarding the new wording of Section 9, Paragraph one of this Law has come into force:

1) a member of the Council of the Foundation who is the representative of the Prime Minister or planning region as at 31 March 2011 shall continue to hold the position of a member of the Council of the Foundation until the day when the legal grounds for continuing the work in the Council of the Foundation cease to exist;

2) those members of the Council of the Foundation who are representatives of non-governmental organisations as at 31 March 2011 shall continue to hold the position of a member of the Council of the Foundation, but not longer than until 1 October 2011.

[*3 March 2011*]

6. After the amendment regarding the new wording of Section 9, Paragraph one of this Law which stipulates that a representative of the Prime Minister, Minister for Culture, Minister for Education and Science, Minister for Welfare, Minister for Environmental Protection and Regional Development, and Minister for Justice, and also four representatives of non-governmental organisations shall be in the composition of the Council of the Foundation has come into force:

1) those five representatives of non-governmental organisations who have been designated to work in the Council of the Foundation and have been active therein for at least a year when the amendment to Section 9, Paragraph one of this Law comes into force shall continue to hold the position of a member of the Council of the Foundation until the day when the legal grounds for continuing the work in the Council of the Foundation cease to exist, but not longer than until 31 May 2021;

2) in the first face-to-face meeting of the Council of the Foundation after coming into force of this amendment, a new Chairperson of the Council of the Foundation shall be elected. The previous Chairperson of the Council of the Foundation shall continue to perform his or her duties until the election of a new Chairperson of the Council of the Foundation.

[*8 July 2019*]

7. The Cabinet shall issue the regulations referred to in Section 2, Paragraph one of this Law by 31 January 2020. Until coming into force of the respective Cabinet regulations, but not later than by 30 January 2020, the By-laws of the Foundation approved by the Council of the Foundation shall be applicable insofar as it is not in contradiction with this Law.

[*8 July 2019*]

8. The Council of the Foundation shall, not later than by 2 September 2019, announce an open call for applications for the position of the Director of the Secretariat of the Foundation and, not later than within two months from the announcement of the open call for applications, appoint the candidate selected in the open call for applications to the position of the Director of the Secretariat of the Foundation for the term specified in Section 11, Paragraph three of this Law.

[*8 July 2019*]

9. The Director of the Secretariat who performs his or her duties on the day when the open call for applications (Paragraph 8 of Transitional Provisions of this Law) is announced shall continue to perform them until a new Director of the Secretariat is appointed. Upon appointment of a new Director, the previous Director of the Secretariat shall ensure that the property, documents and other objects related to the performance of official duties would be transferred to the new Director of the Secretariat in accordance with the deed on acceptance and transfer.

[*8 July 2019*]

10. Amendment regarding the new wording of Section 9, Paragraph five of this Law shall come into force on 1 January 2020.

[*8 July 2019*]

The Law shall come into force on 1 September 2001.

The Law has been adopted by the *Saeima* on 5 July 2001.

President V. Vīķe-Freiberga

Rīga, 20 July 2001