

MAGADI SACCO SOCIETY LTD.
Deposit-Taking SACCO Regulated by SASRA

REQUEST FOR PROPOSALS

SUPPLY, IMPLEMENTATION, INTEGRATION AND SUPPORT OF AN AGENCY BANKING MANAGEMENT SOLUTION

RFP Reference No.: _____

Issue Date: 2nd October 2026

Closing Date & Time: 1st November 2026

CONFIDENTIAL — FOR ADDRESSED BIDDERS ONLY
Prepared by: Magadi Sacco Society Ltd.

DOCUMENT CONTROL

Item	Details
Procuring Entity	Magadi Sacco Society Ltd.
Procurement Title	Supply, Implementation, Integration and Support of an Agency Banking Management Solution
Issue Date	2nd October 2026
Closing Date & Time	1st November 2026
Clarification Period	5th October 2026 to 9th October 2026 (written queries to tenders@magadisacco.co.ke)
Submission Method	Electronically, by email to tenders@magadisacco.co.ke
Proposal Validity	To be specified at issue (typically 90 days from closing date)

This RFP sets out the minimum functional, technical, security, operational and commercial requirements for the proposed Agency Banking Management Solution. Where a bidder proposes functionality through a third-party component, the bidder shall identify the component, owner, licensing model, dependencies and associated costs.

TABLE OF CONTENTS

DOCUMENT CONTROL	2
TABLE OF CONTENTS.....	3
1. INVITATION TO TENDER / REQUEST FOR PROPOSALS	5
2. BACKGROUND.....	5
3. PURPOSE AND OBJECTIVES.....	5
4. SCOPE OF WORK	6
5. AGENCY BANKING OPERATING MODEL	6
6. FUNCTIONAL REQUIREMENTS	7
6.1 Member / Customer Services	7
6.2 Member Authentication and Verification.....	8
6.3 Agent Registration and Onboarding.....	8
6.4 Agent Portal / Back Office	8
6.5 Transaction Processing	9
6.6 Transaction Status and Exception Handling.....	10
7. AGENT MANAGEMENT	10
8. FLOAT, SETTLEMENT, COMMISSION AND RECONCILIATION.....	11
8.1 Float Management.....	11
8.2 Commission Management.....	11
8.3 Reconciliation.....	11
9. CHANNELS AND DEVICES	12
9.1 Dedicated Agency Banking Device	12
9.2 Web-Based Back Office.....	12
9.3 SMS and Notifications	12
10. INTEGRATION REQUIREMENTS	13
10.1 Microsoft Dynamics 365 Business Central / Core Banking.....	13
10.2 Mobile Money Integration	13
10.3 Integration Architecture	14
11. SECURITY, FRAUD MANAGEMENT AND COMPLIANCE.....	14
11.1 Authentication and Transaction Security.....	14
11.2 Fraud and Risk Controls	14
11.3 Regulatory and Data Protection Compliance.....	15
12. TECHNICAL ARCHITECTURE, AVAILABILITY AND PERFORMANCE	15
12.1 High Availability and Disaster Recovery	15
12.2 Performance.....	16

12.3 Scalability	16
13. REPORTING AND ANALYTICS	16
14. IMPLEMENTATION AND PROJECT MANAGEMENT	17
15. DATA MIGRATION AND CONFIGURATION	17
16. TRAINING AND DOCUMENTATION	18
17. SUPPORT, MAINTENANCE AND SLA	18
18. DELIVERABLES AND ACCEPTANCE	19
19. BIDDER QUALIFICATIONS AND EXPERIENCE	20
20. PROPOSAL SUBMISSION REQUIREMENTS	20
21. EVALUATION METHODOLOGY	21
21.1 Proof of Concept / Demonstration	22
22. COMMERCIAL / PRICING SCHEDULE	23
23. CONTRACTUAL AND GENERAL REQUIREMENTS	24
APPENDIX A – DETAILED TECHNICAL COMPLIANCE MATRIX	25
APPENDIX B – PRIORITY TRANSACTION SET	29
APPENDIX C – IMPLEMENTATION TIMELINE	30
APPENDIX D – BIDDER ASSUMPTIONS, EXCLUSIONS AND DEPENDENCIES	31
APPENDIX E – BIDDER DECLARATION	31

1. INVITATION TO TENDER / REQUEST FOR PROPOSALS

Magadi Sacco Society Ltd. invites proposals from qualified, experienced and competent technology solution providers for the supply, implementation, configuration, integration, commissioning and support of a secure and scalable Agency Banking Management Solution.

The solution shall enable the Sacco to extend selected financial services through authorized agents while maintaining centralized control, real-time transaction processing, strong customer authentication, agent management, transaction monitoring, float management, reconciliation, commission processing, reporting and integration with the Sacco's core banking environment.

The successful bidder shall provide an end-to-end solution, including software, integration, configuration, devices where applicable, implementation, training, documentation, support and maintenance.

2. BACKGROUND

Magadi Sacco Society Ltd. is undertaking digital transformation initiatives aimed at increasing access to financial services, improving member convenience, expanding the Sacco's service footprint and reducing dependence on physical branches.

The proposed agency banking platform is expected to provide a controlled branchless banking channel through authorized agents and agent outlets. The platform should support member and non-member transactions permitted by the Sacco, while integrating directly with the core banking system so that transactions are processed accurately and reflected in the Sacco's books in real time or near real time, subject to the proposed architecture.

The minimum functional and technical requirements set out in this RFP reflect the Sacco's operating model for agent registration, member registration and KYC, account opening, deposits, withdrawals, enquiries, statements, airtime and utility payments, loan repayment, funds transfer, float management, reconciliation, agent Z-reports, POS-device controls, OTP/PIN authentication, integration with the Sacco's Microsoft Dynamics 365 Business Central core banking environment, primary/DR architecture and 24-hour support. Bidders shall respond against these requirements on the basis of their own proposed solution and architecture, and are free to propose alternative or superior approaches to meeting each requirement.

3. PURPOSE AND OBJECTIVES

- Extend selected Sacco services to members and approved customers through an agent network.
- Provide convenient and accessible banking services closer to members.
- Support branchless service delivery and geographical expansion.
- Provide secure real-time or near-real-time transaction processing integrated with the core banking system.
- Automate agent onboarding, management, monitoring, limits and lifecycle administration.
- Provide effective agent float management, settlement, commission calculation and reconciliation.

- Improve transaction visibility and operational control.
- Reduce operational risk through strong authentication, device binding, transaction controls and audit trails.
- Provide management with comprehensive agency banking reports and dashboards.
- Provide a scalable platform capable of supporting future products, channels and transaction volumes.

4. SCOPE OF WORK

- Supply and licensing/subscription of the Agency Banking Management Solution.
- Agent management and onboarding module.
- Agent and outlet management.
- Dedicated POS/mobile device application where applicable.
- Back-office administration portal.
- Member/customer authentication and transaction processing.
- Core banking integration.
- Mobile money integration where required.
- SMS/notification integration.
- Float management and settlement.
- Commission management.
- Transaction reconciliation and exception management.
- Reporting and dashboards.
- Security, fraud monitoring and audit functionality.
- Primary and disaster-recovery architecture.
- Implementation, configuration and customization.
- Testing and UAT.
- Training and knowledge transfer.
- Go-live and hypercare.
- Support and maintenance.

5. AGENCY BANKING OPERATING MODEL

The bidder shall propose an operating model supporting at minimum the following parties:

Party	Role / Requirement
Sacco / Head Office	Overall administration, product configuration, monitoring, settlement, reconciliation, reporting and support.

Party	Role / Requirement
Agency Banking Administrator	Agent onboarding, approval, configuration, device assignment, limits and user management.
Agent	Performs authorized member/customer transactions and manages assigned outlet/float.
Agent Outlet / Store	Physical service point operating under an approved agent, where applicable.
Member / Customer	Receives authorized banking services through the agent.
Core Banking System	System of record for relevant member/account/loan transactions, subject to agreed integration design.
Mobile Money Provider	Facilitates approved mobile money transactions and settlements.
Support Team	Provides first/second-level operational and technical support and incident management.

The solution should support an agent-to-outlet relationship and allow float allocation and monitoring at the appropriate level, with outlets managed under an approved agent and float allocation monitored at both agent and outlet level.

6. FUNCTIONAL REQUIREMENTS

6.1 Member / Customer Services

- Member/customer identification and authentication before transactions.
- Secure balance enquiry.
- Mini-statement enquiry.
- Account details enquiry.
- Cash deposit.
- Cash withdrawal.
- Deposit to another member/account where permitted.
- Loan repayment.
- Loan balance and loan mini-statement where permitted.
- Funds transfer within the Sacco.
- Funds transfer to approved external financial institutions where permitted.
- Account opening where approved by the Sacco.
- New member registration where approved.
- KYC data capture.
- Capture of passport photograph and identification documents.
- Account statement request/printing.
- Airtime purchase.

- Approved utility payments.
- Other approved payments and receipts.
- Receipt generation and/or electronic confirmation.
- SMS transaction notification.

6.2 Member Authentication and Verification

- Authenticate the customer using a unique identifier such as National ID/member number/approved identifier.
- Display sufficient customer information for agent verification without exposing unnecessary sensitive data.
- Support customer photograph verification, retrieved from the core banking record where available and lawful.
- Require transaction authorization by member PIN, OTP, biometric or a combination as configured by the Sacco.
- Apply transaction-specific limits and authentication requirements.
- Block or flag suspicious, repeated or failed authentication attempts.
- Provide configurable lockout and reactivation procedures.

6.3 Agent Registration and Onboarding

- Agent application and registration.
- Capture business, ownership, contact, identification and location details.
- Capture required KYC and supporting documents.
- Due diligence workflow and approval.
- Agent status management: prospective, pending, approved, suspended, blocked, terminated.
- Agent agreement/contract tracking.
- Outlet/store registration.
- Device registration and assignment.
- Mobile number/SIM registration and binding, so that an agent's account cannot be accessed from an unregistered device.
- Agent account/settlement account configuration.
- Transaction limits.
- Commission configuration.
- Maker-checker approval for critical changes.
- Complete audit trail.

6.4 Agent Portal / Back Office

- Agent search and profile management.

- Outlet management.
- Device management.
- Agent status management.
- Float balance and transaction monitoring.
- Transaction history.
- Daily/Z-report.
- Commission view.
- Agent settlement information.
- Limit configuration subject to authorization.
- PIN reset/change.
- Device deactivation.
- Remote application/device management where supported.
- Alerts and notifications.
- Audit trail.

6.5 Transaction Processing

The solution shall support configurable transaction types and transaction limits. Each transaction shall have a unique reference and clear status.

Transaction	Minimum Requirement
Cash Deposit	Member/customer authentication, account selection, amount, confirmation, receipt and notification.
Cash Withdrawal	Customer authentication, eligible account validation, authorization, amount validation, receipt and notification.
Other Account Deposit	Allow approved deposits by non-members to member/joint/group accounts, with depositor details and narration.
Balance Enquiry	Display authorized account balance and provide receipt/SMS where configured.
Mini-Statement	Display/print recent transactions and provide electronic confirmation.
Loan Repayment	Select loan, validate amount, process repayment and issue confirmation.
Loan Enquiry	Display approved loan balance/limit information where permitted.
Funds Transfer	Internal and approved external transfers with applicable authentication and limits.
Airtime Purchase	Validate customer, account and amount; process and issue confirmation.
Utility Payments	Support approved billers/providers.
Account Opening	Capture approved customer/member/KYC data and supporting documents; route for approval where required.
Member Registration	Capture approved KYC information and initiate member creation/approval.

Transaction	Minimum Requirement
Non-member Transactions	Support approved payments/receipts and appropriate accounting controls.

6.6 Transaction Status and Exception Handling

- Successful, pending, failed, reversed and timed-out transaction statuses.
- Automatic reversal or controlled reversal procedures for incomplete transactions.
- Duplicate transaction detection.
- Idempotency controls for API requests.
- Unique transaction reference across integrated systems.
- Ability to investigate and trace a transaction end-to-end.
- Exception queues for unresolved transactions.
- Controlled manual intervention with maker-checker authorization.
- Customer notification of final transaction status.

7. AGENT MANAGEMENT

- Agent hierarchy and outlet management.
- Agent location and service area.
- Agent transaction profile.
- Agent service permissions.
- Per-transaction and daily limits.
- Aggregate exposure limits.
- Cash/float thresholds.
- Agent suspension and reactivation.
- Device binding, so an agent's phone number is bound to a specific device and login is blocked from an unmapped device.
- SIM/mobile number binding.
- Lost/stolen device deactivation, with immediate revocation of a reported device.
- Agent PIN reset/change.
- Agent activity monitoring.
- Commission profile.
- Agent performance scoring/reporting.
- Agent contract/renewal tracking.
-

8. FLOAT, SETTLEMENT, COMMISSION AND RECONCILIATION

8.1 Float Management

- View agent available float.
- Allocate/top up float.
- Transfer float to/from approved Sacco accounts.
- Set minimum and maximum float thresholds.
- Low-float alerts.
- Agent float history.
- Controlled float adjustments.
- Maker-checker controls for administrative adjustments.

8.2 Commission Management

- Configurable commission schedules by transaction type.
- Commission based on fixed amount, percentage, tier or other approved rules.
- Different commission profiles by agent/category where required.
- Agent commission statements.
- Commission accrual and posting.
- Commission approval and settlement.
- Commission reporting.
- Ability to revise commission structures with effective dates.

8.3 Reconciliation

- Automated daily reconciliation.
- Reconciliation between the agency platform and core banking.
- Reconciliation with mobile money/payment providers where applicable.
- Identification of unmatched transactions.
- Automated matching using transaction references.
- Exception queues.
- Manual reconciliation with maker-checker controls.
- Reversal and adjustment tracking.
- Settlement reports.
- Audit trail.

9. CHANNELS AND DEVICES

9.1 Dedicated Agency Banking Device

Where dedicated POS devices are proposed, the bidder shall specify device make/model, warranty, support and lifecycle. The Sacco prefers dedicated, locked-down devices for agency transactions.

- Android-based POS/mobile device.
- 4G SIM capability.
- Wi-Fi.
- Bluetooth.
- Camera.
- Fingerprint/biometric capability where supported.
- Thermal printer.
- Touchscreen.
- Device/application lockdown.
- Remote device disablement.
- Device-to-agent binding.
- Secure application update mechanism.
- Long-battery operation appropriate to agent use.
- Durable design suitable for field operations.
- PCI/other relevant certification where applicable.
- Optional NFC/IC/magnetic card readers where relevant to the proposed service.

9.2 Web-Based Back Office

- Secure HTTPS access
- Modern browser compatibility
- Role-based access
- Dashboard
- Agent administration
- Transaction monitoring
- Reports
- Reconciliation
- Audit logs

9.3 SMS and Notifications

- Transaction alerts

- OTP delivery
- Agent alerts
- Low-float alerts
- System notifications
- Delivery reporting where supported
- Configurable templates

10. INTEGRATION REQUIREMENTS

10.1 Microsoft Dynamics 365 Business Central / Core Banking

The Agency Banking Solution shall integrate with the Sacco's Microsoft Dynamics 365 Business Central environment and any relevant core banking services/APIs. This integration is mandatory and shall use supported, documented Business Central APIs, extensions or web services.

- Member/customer lookup.
- Account lookup and validation.
- Account balance enquiry.
- Account status validation.
- Transaction posting.
- Loan lookup and repayment posting.
- Product/service validation.
- Transaction status enquiry.
- Transaction reversal where authorized.
- Member registration/account opening where approved.
- Agent/settlement account integration.
- Reference and narration exchange.
- Real-time or near-real-time transaction status.
- Secure API authentication and authorization.
- Comprehensive integration logging.

10.2 Mobile Money Integration

- Integration with approved mobile money providers.
- Customer-to-business (C2B) where required.
- Business-to-customer (B2C) where required.
- Business-to-business (B2B) where required.
- Till/agent settlement functionality where applicable.

- Transaction confirmation and reconciliation.
- Provider transaction reference capture.

10.3 Integration Architecture

- Documented API architecture.
- Secure API gateway/integration layer where appropriate.
- VPN/private connectivity where required.
- TLS/HTTPS for data in transit.
- IP allowlisting where appropriate.
- API rate limiting.
- Timeout and retry handling.
- Monitoring and alerting.
- Integration health dashboard.
- Complete interface documentation.

11. SECURITY, FRAUD MANAGEMENT AND COMPLIANCE

11.1 Authentication and Transaction Security

- Agent PIN authentication.
- Member/customer PIN or OTP authentication as configured.
- Biometric authentication where supported.
- Multi-factor authentication for privileged users.
- Device binding.
- SIM/mobile-number binding where appropriate.
- Failed-attempt controls.
- Session timeout.
- Secure credential storage.
- Encryption in transit and at rest, with connectivity secured over VPN or an equivalent private/encrypted channel and layered request validation.
- Secure secrets/key management.

11.2 Fraud and Risk Controls

- Configurable transaction limits.
- Velocity controls.
- Transaction frequency monitoring.
- Unusual transaction detection.

- Agent behavior monitoring.
- Multiple failed authentication alerts.
- Device change alerts.
- Geo-location/device anomaly detection where supported.
- Blacklisting and whitelisting.
- Suspicious transaction alerts.
- Real-time transaction monitoring.
- Audit trail and investigation tools.

11.3 Regulatory and Data Protection Compliance

The bidder shall demonstrate how the proposed solution supports compliance with applicable Kenyan laws and regulatory requirements, including at minimum:

- The SACCO Societies Act, 2008 and SASRA prudential and non-prudential regulations and guidelines applicable to deposit-taking SACCOs.
- The Co-operative Societies Act.
- The Data Protection Act, 2019 and its subsidiary regulations, including principles of lawful processing, data minimization, security safeguards and data subject rights.
- The Kenya Information and Communications Act and applicable electronic transactions and electronic signature requirements.
- Anti-Money Laundering and Countering the Financing of Terrorism obligations under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA) and related regulations, including Customer Due Diligence, transaction monitoring and suspicious activity reporting.
- The Consumer Protection Act and applicable financial consumer protection guidelines.
- Any agent banking guidelines issued by SASRA or other applicable regulator governing branchless/agency channels for SACCOs.

The bidder shall identify any regulatory approvals, licences, certifications, outsourcing arrangements or third-party dependencies required for implementation and operation, and shall confirm whether the proposed outsourcing/hosting arrangement requires notification to or approval from SASRA.

12. TECHNICAL ARCHITECTURE, AVAILABILITY AND PERFORMANCE

12.1 High Availability and Disaster Recovery

- High-availability production architecture.
- Documented disaster recovery architecture, using primary and DR infrastructure with rapid switch-over capability.
- Secure primary and DR sites.
- Replication appropriate to transaction requirements.

- Automated backups.
- Documented restoration procedures.
- Failover and failback procedures.
- Regular DR testing.
- RPO and RTO commitments, with a target Recovery Time Objective of no more than one hour for the production transaction platform unless otherwise agreed.
- Monitoring of application, database and integration components.

12.2 Performance

- Transaction response time should ordinarily be below 20 seconds under normal operating conditions.
- The bidder shall provide expected average and maximum transaction response times.
- The production environment shall be sized for the Sacco's current and projected transaction volumes.
- The solution shall support at least 20% annual transaction growth for five years without fundamental redesign, or provide a documented scaling plan.
- The bidder shall provide performance benchmarks and sizing assumptions.
- The solution shall support monitoring of response time and transaction throughput.

12.3 Scalability

- Horizontal and/or vertical scaling
- Database scalability
- API scalability
- Storage growth
- Device/network growth
- Agent network growth
- Future product/channel expansion

13. REPORTING AND ANALYTICS

- Real-time transaction dashboard.
- Transactions by agent/outlet.
- Transactions by transaction type.
- Transactions by date/time.
- Successful/failed/reversed/pending transactions.
- Agent activity.
- Agent float position.
- Float movements.
- Commission earned/accrued/paid.

- Settlement reports.
- Reconciliation exceptions.
- Agent performance.
- Inactive/suspended agents.
- Transaction-limit breaches.
- Security/fraud alerts.
- Daily/Z-reports, allowing agents to review and print their end-of-day transactional activity.
- Audit reports.
- Export to Excel/CSV/PDF or equivalent.
- Scheduled reports.
- Management dashboards.

14. IMPLEMENTATION AND PROJECT MANAGEMENT

1. Project initiation and governance.
2. Business and technical requirements analysis.
3. Agency operating-model design.
4. Solution architecture and integration design.
5. Configuration and customization.
6. Agent/device configuration.
7. Core banking integration.
8. Mobile money/payment integrations.
9. Security configuration.
10. Testing and System Integration Testing (SIT).
11. User Acceptance Testing (UAT).
12. Pilot deployment.
13. Agent onboarding and training.
14. Go-live.
15. Hypercare.
16. Post-implementation review and handover.

The bidder shall submit a detailed implementation plan showing activities, dependencies, milestones, resources, deliverables and estimated durations. The bidder shall also provide a risk register and mitigation plan.

15. DATA MIGRATION AND CONFIGURATION

- Migration of existing agent records where applicable.

- Migration of approved agent/outlet information.
- Configuration of transaction types.
- Configuration of limits.
- Configuration of commission structures.
- Configuration of users and roles.
- Configuration of notification templates.
- Historical transaction migration where required.
- Validation and reconciliation.
- Migration sign-off.

16. TRAINING AND DOCUMENTATION

- System administrators.
- Agency banking operations staff.
- Finance/reconciliation staff.
- IT support staff.
- Branch/field staff.
- Agents.
- Helpdesk/support personnel.

Training shall include practical transaction simulations, exception handling, reconciliation, security procedures, device management and reporting.

Documentation shall include user manuals, administrator manuals, architecture, APIs, integration interfaces, configuration, security, backup/DR, troubleshooting and operational procedures.

17. SUPPORT, MAINTENANCE AND SLA

The bidder shall provide a minimum 24-hour support arrangement appropriate to a financial transaction platform. The bidder shall state the proposed support model, escalation matrix, service desk channels, onsite support arrangements and service-level commitments.

The response and resolution targets below are the Sacco's minimum required service levels for a live transaction-processing platform. Bidders may propose tighter (better) targets in the "Bidder Commitment" column; proposed targets weaker than the Sacco minimum will be scored accordingly and may render the bid non-compliant for P1/P2 severities.

Priority	Description	Sacco Minimum Response	Sacco Minimum Resolution / Workaround	Bidder Commitment
P1 – Critical	Complete service outage, critical transaction processing failure, or material data integrity/security incident	15 minutes, 24/7	4 hours, 24/7 (workaround) with continuous updates every 30 minutes	
P2 – High	Major functionality impaired or significant degradation affecting multiple agents/branches	1 hour, 24/7	8 business hours	
P3 – Medium	Partial, non-critical loss of functionality affecting a limited number of agents/users	4 business hours	3 business days	
P4 – Low	Routine inquiry, minor defect or cosmetic issue	1 business day	5 business days	

The bidder shall provide uptime commitments (minimum 99.5% monthly availability for the production transaction platform, excluding approved maintenance windows), planned maintenance procedures with advance notice, incident communication protocols, root-cause analysis within five business days for P1/P2 incidents, and quarterly service review arrangements.

Failure to meet the agreed minimum service levels shall be addressed through service credits or other remedies to be defined in the contract, without prejudice to the Sacco's other contractual and legal remedies.

18. DELIVERABLES AND ACCEPTANCE

Deliverable	Minimum Requirement	Acceptance Evidence
Requirements Specification	Approved business, functional and technical requirements	Signed requirements document
Solution Design	Architecture, security and integration design	Approved design
Configured Platform	Production-ready agency banking platform	Configuration/UAT evidence
Agent Module	Agent/outlet onboarding and management	Successful UAT
Transaction Services	Approved transaction set operational	Successful UAT
BC/Core Banking Integration	Required account and transaction interfaces	Integration/UAT evidence
Mobile Money Integration	Approved provider interfaces	Integration/UAT evidence
Reconciliation	Daily/automated reconciliation and exceptions	Successful test
Reports	Operational and management reports	UAT evidence
Security	Authentication, device controls, RBAC and audit	Security/UAT evidence
Devices	Configured, secured and assigned devices where applicable	Device acceptance

Deliverable	Minimum Requirement	Acceptance Evidence
Training	Relevant staff and agent training	Attendance/materials
Documentation	Complete technical and user documentation	Document acceptance
Go-Live	Production deployment	Go-live sign-off
Hypercare	Post-go-live support	Closure report

Acceptance shall be based on successful completion of agreed functional, integration, security, performance, training and documentation requirements.

19. BIDDER QUALIFICATIONS AND EXPERIENCE

- Legally registered and authorized to provide the proposed solution.
- Demonstrated experience in agency banking implementations.
- Experience with financial institutions, SACCOs or similarly regulated organizations.
- Experience integrating agency banking with core banking systems.
- Experience integrating with Microsoft Dynamics 365 Business Central and/or Dynamics NAV where applicable.
- Experience with mobile money integrations.
- Experience with dedicated POS/mobile agency devices where applicable.
- Demonstrated cybersecurity and transaction-processing capability.
- Qualified project and technical personnel.
- At least three relevant client references, of which at least one should be a regulated financial institution where possible.
- Evidence of OEM/vendor authorization where applicable.
- Evidence of relevant certifications and regulatory/industry compliance.

Bidders shall provide company profile, incorporation/registration documents, relevant project descriptions, client references, key personnel CVs and any relevant certifications.

20. PROPOSAL SUBMISSION REQUIREMENTS

1. Cover letter and signed proposal.
2. Executive summary.
3. Understanding of Magadi Sacco's agency banking requirements.
4. Proposed solution and architecture.
5. Detailed functional compliance matrix.
6. Agent onboarding and management approach.
7. Transaction processing approach.

8. Float, settlement, commission and reconciliation approach.
9. Business Central/core banking integration approach.
10. Mobile money integration approach.
11. Device/POS proposal.
12. Security and fraud-management approach.
13. Regulatory and data protection compliance response.
14. High availability and disaster recovery proposal.
15. Implementation methodology and project plan.
16. Training and knowledge-transfer plan.
17. Support and SLA proposal.
18. Company profile and experience.
19. Client references.
20. Key personnel.
21. Detailed commercial proposal.
22. Assumptions, exclusions and dependencies.
23. Optional enhancements, clearly separated from mandatory requirements.

Key Dates and Submission Arrangements

- RFP issue date: 2nd October 2026.
- Clarification period: 5th October 2026 to 9th October 2026. Bidders may send written queries to tenders@magadisacco.co.ke.
- Proposal submission deadline: 1st November 2026 (30 days from the issue date). Proposals shall be submitted electronically to tenders@magadisacco.co.ke.

21. EVALUATION METHODOLOGY

Evaluation shall proceed in stages: (i) mandatory/eligibility compliance on a pass/fail basis; (ii) technical evaluation of bids that pass stage (i); (iii) mandatory demonstration/Proof of Concept for shortlisted bidders; and (iv) financial evaluation of bidders who meet the minimum technical qualifying score. Bidders who fail the mandatory compliance stage or do not meet the minimum technical qualifying score shall not proceed to financial evaluation, and their financial proposals shall remain unopened or shall not be scored, in line with the Sacco's procurement policy.

Evaluation Area	Weight / Method
Mandatory compliance	Pass / Fail
Company experience and capacity	10%
Core agency banking functionality	20%

Evaluation Area	Weight / Method
Agent management and operational controls	10%
Transaction processing and service coverage	10%
Core banking / Business Central integration	15%
Float, commission and reconciliation	10%
Security, fraud management and compliance	10%
Technical architecture, DR and performance	5%
Implementation, training and support	5%
Demonstration / Proof of Concept	5%
Financial evaluation	10%
Total	100%

A minimum technical qualifying score of 70% of the available technical marks (all areas above the financial evaluation line) is required for a bidder to proceed to financial evaluation. The Sacco may refine the final evaluation weights and minimum qualifying score in the issued procurement document in accordance with its procurement procedures and applicable law.

21.1 Proof of Concept / Demonstration

Shortlisted bidders shall, where required, demonstrate an end-to-end scenario using a test environment:

1. Register and approve an agent.
2. Register/activate an outlet and assign a device.
3. Log in using a bound agent/device.
4. Authenticate a member/customer.
5. Perform a cash deposit.
6. Perform a cash withdrawal.
7. Perform an account balance enquiry.
8. Generate a mini-statement/receipt.
9. Perform a loan repayment.
10. Perform an other-account deposit.
11. Demonstrate an approved mobile-money transaction.
12. Demonstrate agent float top-up/transfer.
13. Demonstrate commission calculation.
14. Demonstrate reconciliation and an exception.
15. Demonstrate device suspension/deactivation.
16. Demonstrate transaction monitoring and audit trail.

17. Demonstrate Business Central/core banking integration.
18. Demonstrate Z-report/end-of-day reporting.
19. Demonstrate an administrative workflow such as maker-checker approval.

22. COMMERCIAL / PRICING SCHEDULE

Bidders shall provide a transparent five-year Total Cost of Ownership (TCO), distinguishing one-off implementation costs, recurring licence/subscription costs, transaction charges and third-party costs.

Cost Component	One-Off (KES)	Annual/Recurring (KES)	Transaction/Usage Cost	Notes
Agency banking software licence/subscription				
Agent management module				
Back-office administration				
POS/device application				
POS devices / hardware				
Core Banking / Business Central integration				
Mobile money integration				
SMS/notification services				
Float/settlement module				
Commission module				
Reconciliation module				
Reports/dashboard				
Implementation/configuration				
Customization/development				
Data migration				
Training				
Primary hosting/infrastructure				
DR/backup				
Security certificates / security services				

Cost Component	One-Off (KES)	Annual/Recurring (KES)	Transaction/Usage Cost	Notes
Support & maintenance				
Other third-party licences				
TOTAL				

Bidders shall clearly identify all mandatory recurring charges, minimum commitments, transaction-based fees, mobile-money/provider charges, device replacement costs, support costs and any fees payable to third parties. Prices quoted shall be inclusive of all applicable taxes and duties, clearly itemized.

23. CONTRACTUAL AND GENERAL REQUIREMENTS

- All Sacco data, transaction records and member/customer information shall remain the property of Magadi Sacco Society Ltd.
- The bidder shall maintain strict confidentiality of Sacco information.
- The bidder shall not use Sacco data for unrelated purposes without written authorization.
- The bidder shall disclose all third-party providers, subcontractors and subprocessors.
- The bidder shall provide data export and portability mechanisms.
- The bidder shall provide secure return/deletion procedures upon termination, subject to legal retention requirements.
- The bidder shall disclose hosting locations and cross-border data-transfer arrangements.
- The bidder shall notify the Sacco of material security incidents in accordance with applicable law and contract requirements, and in any event within 24 hours of becoming aware of the incident.
- The bidder shall maintain adequate business continuity and disaster recovery arrangements.
- The bidder shall not materially change critical third-party components without prior notification/approval where contractually required.
- Ownership of any Sacco-specific customization, configuration and integration artefacts developed under the contract shall vest in, or be licensed perpetually to, the Sacco, to be defined in the contract.
- The bidder shall provide a minimum 12-month warranty from go-live covering defect correction at no additional cost.
- The bidder shall maintain adequate professional indemnity and public liability insurance for the duration of the contract.
- The contract shall provide for liquidated damages or service credits for late delivery or SLA non-performance, and for termination for convenience and for cause.
- The bidder shall provide exit/transition assistance, including data extraction in an agreed format and knowledge transfer, for a defined period following contract termination or expiry.
- All assumptions, exclusions and dependencies shall be explicitly stated.

APPENDIX A – DETAILED TECHNICAL COMPLIANCE MATRIX

Bidders shall complete the matrix using FC = Fully Compliant, PC = Partially Compliant/Requires Customization, NC = Not Compliant. Each response shall include an evidence/page reference.

Ref.	Requirement	M/D	FC/PC/NC	Evidence / Comments
GEN-01	Web-based secure back-office administration	M		
GEN-02	Modern browser compatibility	M		
GEN-03	Role-based access control	M		
GEN-04	Maker-checker controls for critical administration	M		
GEN-05	Comprehensive audit trail	M		
AG-01	Agent registration and onboarding	M		
AG-02	Agent KYC/document capture	M		
AG-03	Agent approval workflow	M		
AG-04	Agent/outlet hierarchy	M		
AG-05	Agent status lifecycle	M		
AG-06	Agent/device binding	M		
AG-07	Lost/stolen device deactivation	M		
AG-08	Agent transaction limits	M		
AG-09	Agent service permissions	M		
AG-10	Agent PIN reset/change	M		
AG-11	Agent performance reporting	M		
TRX-01	Cash deposits	M		
TRX-02	Cash withdrawals	M		
TRX-03	Balance enquiry	M		
TRX-04	Mini-statement	M		
TRX-05	Other-account deposits	M		
TRX-06	Loan repayment	M		
TRX-07	Loan balance/enquiry	M		
TRX-08	Internal funds transfer	M		
TRX-09	Approved external funds transfer	D		

Ref.	Requirement	M/D	FC/PC/NC	Evidence / Comments
TRX-10	Account opening	D		
TRX-11	Member registration/KYC	D		
TRX-12	Airtime purchase	D		
TRX-13	Utility payments	D		
TRX-14	Non-member payments/receipts	D		
TRX-15	Transaction receipts	M		
TRX-16	Transaction SMS notification	M		
TRX-17	Pending/failed/reversed status	M		
TRX-18	Duplicate transaction protection	M		
TRX-19	Transaction reversal controls	M		
FLT-01	Agent float balance	M		
FLT-02	Float top-up	M		
FLT-03	Float transfer to/from approved account	M		
FLT-04	Low-float alerts	M		
COM-01	Configurable commission rules	M		
COM-02	Commission statements	M		
COM-03	Commission accrual and settlement	M		
REC-01	Automated reconciliation	M		
REC-02	Exception management	M		
REC-03	Manual reconciliation with approval controls	M		
REC-04	Settlement reporting	M		
BC-01	Business Central/core banking integration	M		
BC-02	Member/account lookup	M		
BC-03	Transaction posting	M		
BC-04	Loan repayment integration	M		
BC-05	Transaction status/reversal interface	M		
MM-01	Mobile money integration	M		
MM-02	C2B support where required	M		

Ref.	Requirement	M/D	FC/PC/NC	Evidence / Comments
MM-03	B2C support where required	D		
MM-04	B2B support where required	D		
DEV-01	Dedicated POS/mobile device support	M		
DEV-02	Device application lockdown	M		
DEV-03	Remote device disablement	M		
DEV-04	Thermal receipt printing	M		
DEV-05	4G/Wi-Fi connectivity	M		
DEV-06	Camera/document capture	M		
DEV-07	Biometric capability	D		
SEC-01	PIN authentication	M		
SEC-02	OTP authentication	M		
SEC-03	Biometric authentication	D		
SEC-04	MFA for privileged users	M		
SEC-05	Encryption in transit	M		
SEC-06	Encryption at rest	M		
SEC-07	Whitelisting/blacklisting	M		
SEC-08	Fraud/risk monitoring	M		
SEC-09	Failed authentication controls	M		
SEC-10	Security event logging	M		
INT-01	Documented APIs	M		
INT-02	API authentication/authorization	M		
INT-03	API timeout/retry/idempotency controls	M		
INT-04	Integration monitoring	M		
DR-01	High availability architecture	M		
DR-02	Dedicated DR capability	M		
DR-03	Automated backups	M		
DR-04	Documented RPO/RTO	M		
DR-05	DR testing	M		

Ref.	Requirement	M/D	FC/PC/NC	Evidence / Comments
PERF-01	Transaction response target < 20 seconds under normal conditions	M		
PERF-02	Five-year scalable growth plan	M		
REP-01	Real-time transaction dashboard	M		
REP-02	Agent/Z-report	M		
REP-03	Commission reports	M		
REP-04	Reconciliation reports	M		
REP-05	Security/fraud reports	M		
REP-06	Export to common formats	M		
SUP-01	24-hour support arrangement	M		
SUP-02	Defined incident SLA	M		
SUP-03	Root-cause analysis for critical incidents	M		
SUP-04	Software updates/security patches	M		
SUP-05	Training and documentation	M		

APPENDIX B – PRIORITY TRANSACTION SET

Priority	Service	Required at Go-Live?	Notes
High	Cash deposit	Yes	Core agency service
High	Cash withdrawal	Yes	Core agency service
High	Balance enquiry	Yes	Customer service
High	Mini-statement	Yes	Customer service
High	Loan repayment	Yes	Subject to product configuration
High	Other-account deposit	Yes	Subject to Sacco policy
High	Agent float management	Yes	Operational control
High	Commission management	Yes	Operational control
High	Reconciliation	Yes	Finance/control
High	Business Central/core banking integration	Yes	Mandatory integration
High	Agent onboarding/management	Yes	Mandatory
Medium	Member registration	Subject to approval	
Medium	Account opening	Subject to approval	
Medium	Airtime purchase	Subject to approval	
Medium	Utility payments	Subject to approval	
Medium	External funds transfer	Subject to approval	

APPENDIX C – IMPLEMENTATION TIMELINE

Phase	Indicative Duration	Bidder Proposal / Comments
Project initiation		
Requirements & process analysis		
Solution & integration design		
Configuration/customization		
Integration development		
Device configuration		
Testing/SIT		
UAT		
Pilot		
Training/onboarding		
Go-live		
Hypercare		
Handover/closure		

APPENDIX D – BIDDER ASSUMPTIONS, EXCLUSIONS AND DEPENDENCIES

Bidders shall provide a complete list of assumptions, exclusions, customer responsibilities, third-party dependencies, infrastructure prerequisites, regulatory dependencies, licensing prerequisites and recurring costs.

APPENDIX E – BIDDER DECLARATION

We confirm that the information provided in this proposal is accurate and complete to the best of our knowledge. We have disclosed all material assumptions, exclusions, third-party dependencies and recurring costs.

For the Bidder	Details
Company Name	
Authorized Representative	
Designation	
Signature	
Date	
Official Stamp	