

Beyond Copilot Chat: Two Microsoft-Sanctioned Paths to Building with AI

Both keep data inside the Red Cross Microsoft tenant. Both are governed by existing IT controls. One is partially paid for already.

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The Situation

Copilot Enterprise gives staff a chat assistant inside Word, Outlook, and Teams — but it is a closed box. No API access means no automated workflows, no custom applications, and no connecting AI to Red Cross data systems. Microsoft sells two other doors into the same house, and the Red Cross is already standing in the lobby: **no new vendor, no new data agreement, no data leaving the tenant.**

OPTION 1 • THE DEVELOPER'S DOOR

Azure OpenAI

Microsoft hosts OpenAI's models (GPT-4 class and newer) inside the organization's own Azure environment. Renting the AI engine itself, not the finished chat product. Full API access for pipelines, automation, and custom applications.

PROS

- Real API access — anything buildable becomes buildable
- Prompts and outputs never train models, never reach OpenAI the company, never leave the tenant
- Same compliance boundary as Red Cross email and files (SOC 2, HIPAA-eligible, FedRAMP options)
- Pay-per-use with hard budget caps; no new procurement relationship

CONS

- Requires an Azure subscription and IT provisioning
- Variable usage costs rather than flat licensing
- Developer tool — nothing direct for non-technical staff
- Access and usage governance still needs defining

OPTION 2 • THE BUSINESS USER'S DOOR

Copilot Studio

Microsoft's sanctioned low-code tool for building custom AI agents on top of Copilot. An M365 Copilot license already includes agent-building, and agents used in Copilot Chat, Teams, or SharePoint don't count against separate Copilot Studio billing. **A meaningful slice is already paid for.**

PROS

- "We already pay for it" — the strongest opener with leadership
- Respects existing M365 permissions: an agent can't show anyone a document they couldn't already open
- IT keeps full admin control via Power Platform admin center
- Non-developers can build; deploys into Teams where staff already work

CONS

- Heavy usage consumes "Copilot Credits" (~\$200/mo per 25,000 messages) — needs monitoring
- Less flexible than a raw API
- Licensing fine print is genuinely confusing, even to Microsoft customers

How to Frame It

"We're not asking to adopt new AI. We're asking to use capabilities inside the Microsoft contract we already pay for, governed by the same IT controls that protect our email today. Microsoft built these doors for exactly this purpose — and the Red Cross already holds the keys."

One honest caveat: "data stays in the tenant" is true, but it doesn't eliminate governance work — IT still decides who gets access, audits usage, and sets data-handling rules. That strengthens the argument: these tools ship with admin controls, auditing, and access governance built in.

The Ask: A Bounded Pilot

- **Copilot Studio** — one well-defined use case (e.g., an agent answering questions from a specific policy document set), deployed in Teams.
- **Azure OpenAI** — one small deployment with a hard monthly budget cap (even \$100/month) supporting one automation workflow.
- **Time-boxed, measured, reported back** to the AI committee. Pilots are approvable in a way open-ended access never is.