AI Audit Assist

Differentiation Features / Advantages Compared to MS Copilot and ChatGPT Enterprise Version

ARC Institute

Version 1.3.1, 2026-02-10

Table of Content

1. Professional Focus: Specialization in Internal Audit

AI Audit Assist

- Developed specifically for Internal Audit – not a generic AI tool.
- Comprehensive catalog of predefined, professionally vetted use cases throughout the entire audit process:
  - Risk assessment
  - Audit planning
  - Audit preparation
  - Audit execution
  - Report generation
  - Action tracking
- Subject matter content provided by ARC Institute | Audit Research Center with over 20 years of audit expertise.
- Use cases can build on each other and progressively structure the audit process (process-oriented “guidance”).

MS Copilot / ChatGPT

- Generic tools not tailored for Internal Audit.
- Professional use cases must be:
  - designed
  - implemented as prompts or automations
  - tested
  - continuously adapted to new regulations, standards, and best practices by the Internal Audit team itself.
- Higher risk of inconsistent quality and professional gaps.

Value in one sentence: AI Audit Assist delivers ready-to-use, audit-specific best-practice use cases – rather than requiring every audit team to invent and maintain their own AI applications.

2. Vendor Independence and LLM Flexibility

AI Audit Assist

- Integration of various LLMs via APIs:
  - OpenAI models through Azure AI Foundry
  - Models via AWS Bedrock
  - Self-hosted open-source models (e.g., European models like Mistral)
- Free choice and switching between models:

    - Adaptation to professional requirements (e.g., summarization vs. complex analysis)
    - Option to reduce geopolitical risks (e.g., switching to European models)
    - Future-proof: It is impossible to predict which model will lead in two years – you stay flexible
- Failover capability: In case of disruptions with one LLM provider, you can quickly switch to another model

MS Copilot / ChatGPT:

- Strong ties to the respective vendor and their cloud stack
- In case of outages (e.g., OpenAI / Azure disruptions), the respective tool is not usable. Dependency on US technology models
- Switching to other models is limited or not possible at all; dependency on the vendor's roadmap

Value in one sentence: AI Audit Assist makes Internal Audit independent from any single AI provider and increases both failover capability and strategic flexibility.

3. On-Premise Operation and Data Sovereignty

AI Audit Assist

- The application runs on-premise at the customer's site.
- All data remains within the customer's infrastructure.
- Only content required for a specific request is passed to the configured LLM and, if necessary, temporarily cached.
- Especially suitable for:
    - highly sensitive audit data
    - regulated industries (banks, insurance companies, public administration, critical infrastructures)

MS Copilot / ChatGPT

- Primarily cloud-based services.
- Data processing takes place in the provider's data centers.
- Dependency on the provider's security, compliance, and data processing models.

Value in one sentence: AI Audit Assist enables AI support for Internal Audit without relinquishing data sovereignty.

4. Structured User Interface Instead of "Prompting Arts"

4.1. AI Chat – Flexible Expert Mode

AI Audit Assist

- Classic chat interface with:
  - Text input
  - Voice input
  - Document upload as context
- Selection of the desired LLM per request
- Selection of specific agents via drop-down
- RAG Toggle:
  - RAG can be switched on/off
  - Display of the top 8 embeddings including source links for direct verification
  - Restriction to a specific source document (instead of the entire RAG)

MS Copilot / ChatGPT

- Chat interfaces are available, but without:
  - customer-specific agents
  - finely controllable RAG usage with transparent source embeddings
  - selection of different LLMs in one interface

4.2. Use Cases – Form-Based Standard Applications

AI Audit Assist

- Pre-configured use cases as easy-to-use forms, which any employee can fill out without AI expertise
- Form fields populate centrally stored system prompts (fill-in-the-blank with variables)
- Benefits:
  - Excellent results without prompting experience
  - High standardization of results (everyone uses the same central prompt and achieves consistent quality across teams)
  - Simple star rating for use cases for quality control and continuous improvement
- Results can be transferred directly to the free expert chat for further refinement
- Introduction of AI without extensive prompting know-how; quick success even for inexperienced users

MS Copilot / ChatGPT

- Users have to formulate prompts themselves
- No unified, institutionalized prompt logic
- Significant knowledge transfer effort required for employees to achieve reproducibly good results
- Result quality and standards vary greatly between individuals

Value in one sentence: AI Audit Assist significantly lowers the barrier to entry and creates standardized, reproducible results – regardless of employees' prompting skills.

5. Automation / Agents – Periodic and Scheduled AI Tasks

AI Audit Assist

- Dedicated area for agent use cases:
  - Configuration whether tasks are executed at specific times or periodically
  - Extensive configuration options (schedules, intervals, etc.)
  - Monitoring: status check whether agents have run successfully
  - Access to agent results

MS Copilot / ChatGPT

- In standard usage, no native, professionally predefined agent platform for scheduled audit tasks
- Automations must be individually implemented and orchestrated in other tools/scripts

Value in one sentence: AI Audit Assist turns one-time queries into persistent, plannable agents – without the user having to build technical automation solutions themselves.

6. Document Management & RAG for Customer Documents

AI Audit Assist

- Dedicated Documents tab with DMS-like functionality:
  - Filter by document type (PDF, Excel, etc.), source (network drive, SharePoint, etc.), and content
  - Keyword-based search using stored keywords
  - Upload function for new documents into the RAG – even without technical knowledge
  - Refresh RAG via "Refresh" button
  - Delete individual documents via "Delete selected embeddings"
  - Display and review embeddings per document

Advantage:

- RAG maintenance becomes so easy that even users without AI expertise can keep the company's knowledge base, Internal Audit up to date.

MS Copilot / ChatGPT

- No integrated RAG-DMS interface for company-specific document landscapes
- Integration of company documents is possible, but:
  - less granular control

    - technically and administratively more complex
    - not explicitly designed for audit workflows

Value in one sentence: AI Audit Assist combines AI with a practical, professional RAG document management system – instead of leaving users alone with technical RAG implementation.

7. Central Administration, Roles, Security & Governance

AI Audit Assist

Comprehensive admin area specifically for professional use in Internal Audit:

- User and role management
    - Creation of users and assignment of roles
    - Role-based access model for RAG folders and functions
    - Users without the appropriate role cannot see content of certain folders in RAG or in chat
- RAG structure management
    - Maintenance of RAG folders including role assignment
- Centralized management of system prompts
    - Central maintenance of system prompts for standard use cases
    - Ensures consistent "AI governance" (uniform tone, audit logic, documentation standards)
- AI provider and model configuration
    - Storing API keys for various providers (Azure, AWS, Open Source etc.)
    - Selection and administration of available LLMs
- Use case management
    - Activation/deactivation of individual use cases or entire clusters via toggle switch
    - Configuration per use case:
        - Default LLM
        - Status as automated use case (agent) or manual use case
        - Roles allowed to use the use case
        - Statistics/rating (stars)
- License management
    - Input of licenses via license file

MS Copilot / ChatGPT

- Admin functionalities available, but:
    - no dedicated use case lifecycle management (activation, rating, role control)

Value in one sentence: AI Audit Assist provides a governance-ready administration environment

that fits Internal Audit – including roles, RAG folders, use case management, and AI provider configuration.

8. Centrally Maintained Use Cases Instead of Internal Development Effort

AI Audit Assist

- Development, maintenance, and optimization of use cases are handled centrally by ARC Institute
- Customers do not need to:
  - employ their own developers to implement AI use cases
  - build and maintain their own prompt library
  - continually react to model updates, changed APIs, or new business requirements
- Scale effect:
  - Improvements to use cases benefit all customers
  - Professional knowledge is integrated centrally once, instead of separately in each company

MS Copilot / ChatGPT

- Each department must:
  - define use cases professionally
  - translate them into prompts/automations themselves
  - test themselves
  - continuously adapt and optimize
- This leads to:
  - significant internal efforts
  - dependencies on individual key users
  - high variance in result quality

Value in one sentence: AI Audit Assist significantly increases productivity and makes quality in the form of audit use cases "scalable", so that every audit department can benefit from centrally developed and maintained AI expertise, instead of having to build their own developers and prompt specialists.

9. Resilience and Availability

AI Audit Assist

- Multiple LLM providers can be configured in parallel
- In case of outages of individual providers (e.g., OpenAI / Azure), alternative models can be switched to at short notice

- The risk of productivity losses in the company is reduced

MS Copilot / ChatGPT

- Disruptions at the respective platform provider lead directly to outages
- No integrated fallback strategy to other LLMs

Value in one sentence: AI Audit Assist increases operational resilience of Internal Audit against disruptions at individual AI providers.

10. Summary of Key Advantages

Key advantages of AI Audit Assist over MS Copilot and ChatGPT:

Professional Specialization:

- Designed specifically for Internal Audit with immediately usable, audit-specific use cases
- Professionally curated by the ARC Institute, years of audit methodology expertise

Vendor Independence:

- Multiple LLMs (Azure/OpenAI, AWS Bedrock, Open Source, European models like Mistral)
- Option to switch in case of geopolitical risks or outages

On-Premise and Data Sovereignty:

- Operation within customer infrastructure
- Sensitive company data remains internal

Low Entry Barrier:

- Form-based use cases instead of complex prompting
- Standardized, reproducible results, independent of the user

Automation with Agents:

- Time and period-based AI use cases
- Integrated monitoring and results overview

Integrated RAG Document Management:

- DMS-like maintenance of customer documents (filter, tags, upload, delete, refresh)
- Transparent source embeddings and verifiability

Governance & Roles:

- Fine-grained role and folder concept for RAG
- Centralized maintenance of system prompts, LLM providers, and use cases

Low Maintenance Effort:

- Central ongoing development and optimization of use cases by ARC Institute
- No need for in-house AI developers in the company

Resilience:

- Fallback to alternative LLMs in case of technical disruptions of a provider

Conclusion: AI Audit Assist is not a generic AI platform, but a revision and company-specific, on-premise capable, vendor-independent solution that combines professional know-how, governance, and technical flexibility, while massively reducing internal maintenance and development effort for users.

11. Tabular Comparison (AI Audit Assist, MS Copilot, ChatGPT (Standalone))

11.1. Strategic Focus & Professional Orientation

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Basic orientation	Specialized solution for Internal Audit	Productivity suite in the MS ecosystem	General AI dialog platform
Focus on Internal Audit	Yes, throughout	No, only generic functions	No, only generic functions
Professionally curated use cases	Yes, by ARC Institute	No	No
Support for the entire audit cycle	Yes (risk assessment to action tracking)	Only indirectly via user prompts	Only indirectly via user prompts

11.2. LLM Selection & Vendor Independence

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Supported LLM providers	Multiple: e.g. OpenAI via Azure, AWS Bedrock, open-source/self-hosted models	Primarily Microsoft / Azure	OpenAI (possibly plus a few partner integrations)
Vendor independence	High – free choice and combination of different providers	Low – tightly bound to Microsoft stack	Low – tied to OpenAI ecosystem
Switch to European LLMs	Yes, e.g. Mistral	Only if MS offers them	Only if OpenAI offers corresponding models

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Fallback for outages	Yes, switching to alternative LLMs possible	Rather no, dependent on Azure/Microsoft	Rather no, dependent on OpenAI

11.3. Operational Model & Data Sovereignty

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Operational model	On-premise in customer infrastructure	Cloud-based (Microsoft Cloud/Azure)	Cloud-based (OpenAI)
Data storage	In the customer's own data center	In the provider's cloud	In the provider's cloud
Data sovereignty	Fully with the customer	Dependent on cloud contracts and region	Dependent on OpenAI contracts and region
Suitability for highly sensitive data	Very high (on-premise, role-based RAG)	Limited, depending on compliance requirements	Limited, usually not for highly regulated areas

11.4. User Experience & Entry Barrier

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Classic chat interface	Yes (incl. voice input & document upload)	Yes, integrated in the Office context	Yes
Form-based use cases	Yes, ready-made forms for customer audit- use cases	No	No
Need for prompting know-how	Low – standard use cases usable via forms	Medium – quality highly depends on prompts	Medium to high – pure prompt usage
Standardization of results	High – central system prompts and use case templates	Low – individual usage	Low – individual usage
Star rating for use cases	Yes (quality feedback integrated)	No	No
Transfer of audit- use case results to chat	Yes, seamlessly usable as context	Only manually via copy/paste	Only manually via copy/paste

11.5. RAG & Document Management

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Integrated RAG	Yes, specifically for customer documents	Partially (via M365/SharePoint integration)	Only via separate, technically demanding integrations
DMS-like document overview	Yes (filter by type, source, content, tags)	Not in this form	No
Upload new documents by business users	Yes, possible without AI/RAG expertise	Limited, depending on environment	Not without additional infrastructure
RAG refresh by button	Yes ("Refresh")	No (automated, but less controllable mechanisms)	Not without additional solution
Delete individual embeddings	Yes ("Delete selected embeddings")	No	No
Display embeddings per document	Yes, transparency over RAG contents	No	No
Source reference in answers (top embeddings)	Yes, top 8 embeddings incl. links to the original source	Partially, but less transparent	Only if the prompt is correspondingly designed

11.6. Automation & Agents

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Comprehensive admin area	Yes, audit-specific	Yes, but generic (M365 Admin Center)	Limited (mainly organizational settings)
User & role management	Yes, with audit-specific role logic	Yes, but not tailored to RAG/customer	Limited (mainly organization vs. user)
Role-based access to RAG folders	Yes (for all encoded audit use cases)	No (prompts decentralized for users)	No (prompts per individual user)
Configuration of AI providers/LLMs	Yes, incl. API keys for multiple providers	No, primarily Microsoft-owned models	No, tied to OpenAI
Use case management	Yes (cluster, on/off via toggle, default LLM, roles, rating statistics)	No	No
License management	Yes (via license file)	Yes (MS license model, but generic)	Yes (account/plan-based, not customer-specific)

11.7. Maintenance & Ongoing Development

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Development of audit use cases	Centrally by ARC Institute and in cooperation with Internal Audit teams	By customer themselves	By customer themselves
Ongoing optimization audit use cases	Yes, centrally and for all customers	Only if customer optimizes internally	Only if customer optimizes internally
Need for own developers	Not required for standard usage	Often necessary for more complex automations/integrations	Often necessary for integration into processes
Scale effects	Very high – further developments benefit all customers	Low – each customer optimizes separately	Low – each customer optimizes separately

11.8. Resilience & Risk Aspects

Criterion	*AI Audit Assist*	*MS Copilot*	*ChatGPT (Standalone)*
Handling of single LLM outages	Fallback to alternative LLMs through multi-provider setup	Dependent on Microsoft / Azure	Dependent on OpenAI
Reduction of geopolitical risks	Yes, possible by using European/self-hosted models	Limited, US companies	Limited, US companies
Dependency on a single LLM provider	Low	High	High

Contact

Audit Research Center | ARC-Institute

Mail: AI-Audit-Assist@ARC-Institute.com

Tel.: +49-2159-6945-904

Mobil: +49-151-64967383