

(12) Employee Benefits

BOK Financial sponsors a defined benefit Pension Plan for all employees who satisfy certain age and service requirements. The following table presents information regarding this plan (dollars in thousands):

	December 31,	
	2001	2000
Change in projected benefit obligation:		
Projected benefit obligation, at beginning of year	\$ 19,837	\$ 16,892
Service cost	3,320	3,245
Interest cost	1,527	1,291
Actuarial loss	964	326
Benefits paid	(1,507)	(1,917)
Projected benefit obligation at end of year	\$ 24,141	\$ 19,837
Change in plan assets:		
Plan assets at fair value, at beginning of year	\$ 26,084	\$ 25,403
Actual return on plan assets	(867)	(1,063)
Company contributions	3,597	3,661
Benefits paid	(1,507)	(1,917)
Plan assets at fair value at end of year	\$ 27,307	\$ 26,084
Reconciliation of prepaid (accrued) and total amount recognized:		
Benefit obligation	\$(24,141)	\$(19,837)
Fair value of assets	27,307	26,084
Funded status of the plan	3,166	6,247
Unrecognized net loss	9,149	4,412
Unrecognized prior service cost	622	681
Prepaid pension costs	\$ 12,937	\$ 11,340
Components of net periodic benefit costs:		
Service cost	\$ 3,320	\$ 3,245
Interest cost	1,527	1,291
Expected return on plan assets	(2,906)	(2,559)
Amortization of unrecognized amounts:		
Prior service cost	60	60
Net periodic pension cost	\$ 2,001	\$ 2,037
Weighted-average assumptions as of December 31, 2001:		
Discount rate	7.50%	8.00%
Expected return on plan assets	10.00%	10.00%
Rate of compensation increase	5.25%	5.25%

Assets of the Pension Plan consist primarily of shares in cash management funds, common stock and bond funds, and guaranteed investment contract funds. Benefits are based on the employee's age and length of service.

Employee contributions to the Thrift Plans are matched by BOK Financial up to 5% of base compensation, based upon years of service. Participants may direct the investments of their accounts in a variety of options, including BOK Financial Common Stock. Employer contributions vest over five years. Expenses incurred by BOK Financial for the Thrift Plans totaled \$2.8 million, \$2.3 million and \$2.4 million for 2001, 2000 and 1999, respectively.

BOK Financial also sponsors a defined benefit post-retirement employee medical plan which pays 50 percent of annual medical insurance premiums for retirees who meet certain age and service requirements. Assets of the retiree medical plan consist primarily of shares in a cash management fund. Eligibility for the post-retirement plan is limited to current retirees and certain employees currently age 60 or older at the time the plan was frozen in 1993.

Under various performance incentive plans, participating employees may be granted awards based on defined formulas or other criteria. Earnings were charged \$27.2 million in 2001, \$22.2 million in 2000 and \$19.3 million in 1999, for such awards.