
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

Current Report

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): December 8, 2009

Integrated Electrical Services, Inc.

(Exact name of registrant as specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-13783
(Commission
File Number)

76-0542208
(I.R.S. Employer
Identification Number)

1800 West Loop South, Suite 500
Houston, Texas 77027
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(713) 860-1500**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
 - Pre-Commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

- (e) On December 8, 2009, The Human Resources and Compensation Committee (the “Committee”) of the Board of Directors of Integrated Electrical Services, Inc. (the “Company”) took the following actions relating to compensatory arrangements for certain officers, including Named Executive Officers.

Annual Management Incentive Plan

The Committee approved the Annual Management Incentive Plan Fiscal Year 2010 Performance Criteria (the “Performance Criteria”). The Management Incentive Plan, adopted by the Company on November 12, 2007, provides an incentive compensation pool for certain employees and officers of the Company. For fiscal year 2010, the Performance Criteria is based upon the Company’s achievement of an established level of operating income. The foregoing description of the Performance Criteria is qualified in its entirety by reference to the full text of the Management Incentive Plan Fiscal Year 2010 Performance Criteria, which is incorporated by reference herein and attached hereto as Exhibit 10.1. The schedule of amounts payable to President and Chief Executive Officer Michael J. Caliel, Executive Vice President and Chief Financial and Administrative Officer Raymond K. Guba and Residential Group Vice President Richard A. Nix if the Performance Criteria are achieved is incorporated by reference herein and attached hereto as Exhibit 10.2.

Fiscal 2010 Goals and Objectives

On December 8, 2009, the CEO recommended and the Committee approved the following goals and objectives to be used by the Committee when (i) determining the discretionary element of the fiscal 2010 short-term incentive awards discussed above and (ii) setting annual base salaries for fiscal 2011. These goals and objectives were established based on four primary factors:

- *Financial Performance.*
 - Financial performance measures for the CEO, CFO, and Group Vice Presidents were based on consolidated annual operating income.
 - Corresponding financial targets for annual gross profit were established for each operating company and organizational unit based on business plans, which were designed to drive growth and/or improve profitability.
 - Financial incentives for Messrs. Caliel, Guba, and Nix and other corporate executive management are tied to our consolidated performance. Incentives for other executive officers, managers and operating division personnel are tied to both their respective operating company and organizational unit results.
- *Safety Performance.*
 - The Safety Performance Targets are based on the Company’s Total Recordable Incident Rate (TRIR) for the fiscal year. The Company’s consolidated TRIR target for fiscal 2010 is 0.64.
 - Safety Performance Target for Messrs. Caliel, Guba, and Nix and other corporate executive management is tied to the Company’s consolidated TRIR. Safety Performance Targets for other executive officers, managers and operating division personnel are tied to the TRIR of both their respective operating company and organizational unit.
- *Strategy & Growth Execution.*
 - Strategy and growth execution will be measured against how well we positioned ourselves for growth and diversification.
 - New market and segment growth;
 - Business development/backlog growth;
 - Project execution;
 - Risk management; and
 - Cost optimization.
- *Business / Personal Objectives.*
 - Other performance criteria in the form of personal objectives were established for each executive officer in line with the Company’s fiscal 2010 plan. These include:
 - Setting the tone at the top; and
 - Leadership/successor development.

Item 9.01. Financial Statements and Exhibits.

- (d) Exhibits.

Exhibit Number	Description
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- 10.1 2010 Annual Management Incentive Plan - Corporate Shared Services
- 10.2 Fiscal 2010 Consolidated Operating Income - Messrs. Caliel, Guba, and Nix

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTEGRATED ELECTRICAL SERVICES, INC.

Date: December 11, 2009

/s/ William L. Fiedler

William L. Fiedler

Senior Vice President and General Counsel

EXHIBIT INDEX

Exhibit Number	Description
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10.1	2010 Annual Management Incentive Plan - Corporate Shared Services
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10.2	Fiscal 2010 Consolidated Operating Income - Messrs. Caliel, Guba, and Nix
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APPENDIX A

2010 ANNUAL MANAGEMENT INCENTIVE PLAN CORPORATE SHARED SERVICES

This document sets forth the Performance Criteria established by the Board of Directors for Integrated Electrical Services' Annual Management Incentive Plan (hereinafter "Plan") for Fiscal 2010.

I. PERFORMANCE CRITERIA

The Board has established the following Performance Criteria for Fiscal 2010 from which Awards under this Plan shall be made pursuant to the Annual Management Incentive Plan Document:

- Corporate Consolidated Annual Operating Income

Under the Plan, Participants are assigned an incentive award target expressed as a percent of their annual base salary. Based upon performance against pre-determined Performance Criteria, participants may earn a range of incentive award payouts relative to their target. A minimum threshold performance of 90% against the pre-determined Performance Criteria target must be achieved before any incentive is payable under the Plan.

II. INCENTIVE AWARD CALCULATIONS

A. Corporate Shared Services. Awards under the Plan for Corporate Shared Services Participants will be weighted 100% on Corporate performance and calculated based upon four factors:

1. **Corporate Performance.** Achievement of the Company's annual operating plan for each Performance Criteria. There will be a Threshold Performance level for each Performance Criteria below which no award will be earned, and Maximum Performance level in all categories beyond which no additional award will be earned. A participant's annual incentive award will be increased or decreased based on corporate performance against predetermined performance criteria (refer to Exhibit A).
 - a) **Threshold Award:** The lowest award level paid, 50% of a Participant's annual incentive target, is paid for the lowest performance level (90% attainment of Performance Criteria) eligible for an award under the Plan.
 - b) **Target Award:** The award to be paid for 100% attainment of the Performance Goal (100% attainment of Performance Criteria).
 - c) **Maximum Award:** The Maximum award under the plan is 200% of a Participant's annual incentive target (175% attainment of Performance Criteria).
2. **Plan Modifiers.** The second component in determining individual incentive awards under the Plan is the achievement of the Company's annual safety performance target. A participant's Annual incentive award will be modified based on the Company's achievement of the Company's Safety Performance Index ("SPI") score (refer to Exhibit B).
3. **Individual Performance.** The third component in determining individual incentive awards is attainment of individual goals and objectives established for the Participant during the plan year. Two to three individual goals will be set and weighted for each Participant during the plan year. The CEO will establish individual goals and weightings for Section 16 Participants subject to review and ratification by the Committee.
4. **Management Discretion.** The Committee may in its sole discretion make downward or upwards adjustments to Awards based on "Individual Performance" considerations. The amount of the adjustment may not be increased or decreased by an amount exceeding 50% of the proposed incentive award. Discretionary adjustments may also be made for leadership behaviors that significantly impact strategic and operational initiatives of the Company; people development, and other factors as determined by the Company. Discretionary adjustments made to Plan participants, excluding the CEO, may not result in a net increase in Plan funding. The Committee shall have sole discretion to increase or decrease the annual incentive award made to the CEO.

III. PAYMENT OF AWARDS

Participants will receive an annual cash incentive award paid as soon as administratively possible after the Committee determines the amount of any such bonus to be awarded under the Plan.

Executive	Fiscal 2010 Consolidated Operating Income ⁽¹⁾				
	< \$18.0 MM	\$18.0 MM	\$20.0 MM	\$35.0 MM	> \$35.0 MM
Michael J. Caliel	\$0.00	\$305,000	\$610,000	\$1,220,000	\$1,220,000
Raymond K. Guba	\$0.00	\$148,125	\$296,250	\$592,500	\$592,500
Richard A. Nix	\$0.00	\$182,000	\$364,000	\$728,000	\$728,000

⁽¹⁾ Net of incentives paid to all participants