ITT EDUCATIONAL SERVICES INC

Form 4

September 20, 2007

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

Check this box if no longer

subject to Section 16. Form 4 or Form 5

obligations

may continue.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading ELWOOD CLARK D Issuer Symbol ITT EDUCATIONAL SERVICES (Check all applicable) INC [ESI] (Last) (First) (Middle) 3. Date of Earliest Transaction Director

(Month/Day/Year)

09/18/2007

10% Owner X_ Officer (give title Other (specify

Sr VP, Gen Counsel & Secretary

below)

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

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response...

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C/O ITT EDUCATIONAL SERVICES INC, 13000 NORTH MERIDIAN STREET

> (Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

CARMEL, IN 46032-1404

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 4. Securities Acquired (A) 5. Amount of 7. Nature of Security (Month/Day/Year) Execution Date, if Transactionor Disposed of (D) Securities Ownership Indirect (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Beneficial (Month/Day/Year) (Instr. 8) Owned Direct (D) Ownership or Indirect (Instr. 4) Following Reported (A) Transaction(s) (Instr. 4) or (Instr. 3 and 4) Code V (D) Price Amount Common 20,600 09/18/2007 $M^{(1)}$ \$ 23.7 28,904 D Stock (2) Common 27,000 09/18/2007 $M^{(1)}$ A \$ 51.2 55,904 D (3) Stock Common $S^{(1)}$ 800 D 09/18/2007 D 55,104 Stock Common $S^{(1)}$ D 09/18/2007 1,000 54,104 D 112.57 Stock 09/18/2007 $S^{(1)}$ 400 D 53,704 D

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Common Stock					\$ 112.56			
Common Stock	09/18/2007	S(1)	1,989	D	\$ 112.55	51,715	D	
Common Stock	09/18/2007	S(1)	3,100	D	\$ 112.54	48,615	D	
Common Stock	09/18/2007	S(1)	1,904	D	\$ 112.53	46,711	D	
Common Stock	09/18/2007	S(1)	1,000	D	\$ 112.52	45,711	D	
Common Stock	09/18/2007	S(1)	1,300	D	\$ 112.51	44,411	D	
Common Stock	09/18/2007	S <u>(1)</u>	36,107	D	\$ 112.5	8,304	D	
Common Stock						6,097	I	By Company 401(k) Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of onDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 23.7	09/18/2007		M(1)		20,600 (2)	<u>(4)</u>	01/24/2013	Common Stock	20,600
Stock Option (Right to	\$ 51.2	09/18/2007		M <u>(1)</u>		27,000 (3)	(5)	01/21/2014	Common Stock	27,000

Buy)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer

ELWOOD CLARK D C/O ITT EDUCATIONAL SERVICES INC 13000 NORTH MERIDIAN STREET CARMEL, IN 46032-1404

Sr VP, Gen Counsel & Secretary

Other

Signatures

Clark D. 09/20/2007 Elwood

**Signature of Date
Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The transactions reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 18, 2007.
- (2) Represents a portion of the 30,000 shares subject to a stock option (right to buy) with an effective grant date of January 22, 2003.
- (3) Represents the 27,000 shares subject to a stock option (right to buy) with an effective grant date of January 19, 2004.
- (4) The option vested in three equal installments on January 22, 2004, 2005 and 2006.
- (5) The option vested in two installments: one-third on January 19, 2005; and two-thirds on October 24, 2005.

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