

ITT EDUCATIONAL SERVICES INC  
Form 4  
September 20, 2007

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
ELWOOD CLARK D

2. Issuer Name and Ticker or Trading Symbol  
ITT EDUCATIONAL SERVICES INC [ESI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
09/18/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Sr VP, Gen Counsel & Secretary

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)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

CARMEL, IN 46032-1404

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	09/18/2007		M <sup>(1)</sup>		20,600 (2)	A	\$ 23.7 28,904 D
Common Stock	09/18/2007		M <sup>(1)</sup>		27,000 (3)	A	\$ 51.2 55,904 D
Common Stock	09/18/2007		S <sup>(1)</sup>		800	D	\$ 112.58 55,104 D
Common Stock	09/18/2007		S <sup>(1)</sup>		1,000	D	\$ 112.57 54,104 D
	09/18/2007		S <sup>(1)</sup>		400	D	53,704 D

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Common Stock					\$						
					112.56						
Common Stock	09/18/2007	S <sup>(1)</sup>	1,989	D	\$	51,715	D				
					112.55						
Common Stock	09/18/2007	S <sup>(1)</sup>	3,100	D	\$	48,615	D				
					112.54						
Common Stock	09/18/2007	S <sup>(1)</sup>	1,904	D	\$	46,711	D				
					112.53						
Common Stock	09/18/2007	S <sup>(1)</sup>	1,000	D	\$	45,711	D				
					112.52						
Common Stock	09/18/2007	S <sup>(1)</sup>	1,300	D	\$	44,411	D				
					112.51						
Common Stock	09/18/2007	S <sup>(1)</sup>	36,107	D	\$	8,304	D				
					112.5						
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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(9-02)

**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 Derivative 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)	8. Amount or Number of Shares
Stock Option (Right to Buy)	\$ 23.7	09/18/2007		M <sup>(1)</sup>	20,600 (2)	(4) 01/24/2013	Common Stock	20,600
Stock Option (Right to Buy)	\$ 51.2	09/18/2007		M <sup>(1)</sup>	27,000 (3)	(5) 01/21/2014	Common Stock	27,000

Buy)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ELWOOD CLARK D C/O ITT EDUCATIONAL SERVICES INC 13000 NORTH MERIDIAN STREET CARMEL, IN 46032-1404			Sr VP, Gen Counsel & Secretary	

## Signatures

Clark D.  
Elwood 09/20/2007

        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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