

ITT EDUCATIONAL SERVICES INC
Form 4
August 13, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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)
13000 NORTH MERIDIAN STREET
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/10/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr VP, General Counsel & Sec.

CARMEL, IN 46032-1404

(City) (State) (Zip)

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

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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 08/10/2007 | | M ⁽¹⁾ | 25,000 ⁽²⁾ | \$ 17.063 ⁽³⁾ | 33,304 | D |
| Common Stock | 08/10/2007 | | S ⁽¹⁾ | 400 ⁽²⁾ | \$ 107.85 | 32,904 | D |
| Common Stock | 08/10/2007 | | S ⁽¹⁾ | 100 ⁽²⁾ | \$ 107.8 | 32,804 | D |
| Common Stock | 08/10/2007 | | S ⁽¹⁾ | 1,300 ⁽²⁾ | \$ 107.79 | 31,504 | D |
| | 08/10/2007 | | S ⁽¹⁾ | 100 ⁽²⁾ | | 31,404 | D |

Edgar Filing: ITT EDUCATIONAL SERVICES INC - Form 4

| | | | | | | | | | |
|--------------|------------|------------------|-----------------------|---|--|-----------|--------|---|-------------------|
| Common Stock | | | | | | \$ 107.78 | | | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 500 ⁽²⁾ | D | | \$ 107.76 | 30,904 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 164 ⁽²⁾ | D | | \$ 107.72 | 30,740 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 300 ⁽²⁾ | D | | \$ 107.71 | 30,440 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 400 ⁽²⁾ | D | | \$ 107.69 | 30,040 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 390 ⁽²⁾ | D | | \$ 107.68 | 29,650 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 200 ⁽²⁾ | D | | \$ 107.66 | 29,450 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 100 ⁽²⁾ | D | | \$ 107.61 | 29,350 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 700 ⁽²⁾ | D | | \$ 107.56 | 28,650 | D | |
| Common Stock | 08/10/2007 | S ⁽¹⁾ | 20,346 ⁽²⁾ | D | | \$ 107.5 | 8,304 | D | |
| Common Stock | | | | | | | 6,097 | I | By Company 401(k) |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(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 | \$ 17.063 | 08/10/2007 | | M ⁽¹⁾ | 25,000 | ⁽⁴⁾ 01/28/2009 | Common | 25,000 |

Option
(Right to
Buy)

Stock

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|------------------------------------------------------------------------|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| ELWOOD CLARK D 13000 NORTH MERIDIAN STREET CARMEL, IN 46032-1404 | | | Sr VP, General Counsel & Sec. | |

Signatures

Clark D. 08/13/2007
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.

Represents a portion of the: (a) 20,000 shares subject to a stock option (right to buy) with an effective grant date of January 26, 1999
 - (2) ("1999 Option"); and (b) the increase of 20,000 shares subject to the 1999 Option pursuant to the 2-for-1 split of the ESI Common Stock on June 6, 2002 ("June 2002 Split").
 - (3) Represents an original exercise price of \$34.125 for the shares of ESI common stock subject to the 1999 Option, reduced to \$17.063 pursuant to the June 2002 Split.
 - (4) The option vested in three equal installments on January 26, 2000, 2001 and 2002.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.