ITT EDUCATIONAL SERVICES INC

Form 4

January 11, 2007

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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obligations may continue. See Instruction

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

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 10% Owner Other (specify X_ Officer (give title (Month/Day/Year) below) C/O ITT EDUCATIONAL 01/11/2007 Sr VP, Gen Counsel & Secretary SERVICES INC, 13000 NORTH MERIDIAN STREET (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) 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 5. Amount of 7. Nature of Indirect Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of (D) Securities Ownership (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Direct Beneficial (Month/Day/Year) (Instr. 8) Owned (D) or Ownership Following Indirect (I) (Instr. 4) Reported (Instr. 4) (A) Transaction(s) or (Instr. 3 and 4) Code V Amount (D) Price \$ Common 4,688 $M^{(1)}$ 01/11/2007 A 12.125 $12,992^{(4)}$ D (2) Stock (3) Common 4,688 01/11/2007 $S^{(1)}$ D \$ 70 8,304 (4) D Stock (2)

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

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number.

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. Transactic Code (Instr. 8)			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)	\$ 12.125	01/11/2007		M <u>(1)</u>		4,688	<u>(5)</u>	02/12/2007	Common Stock	4,688

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

De Se (In

Signatures

Clark D. 01/11/2007 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 5, 2006.
- Represents a portion of the: (a) 18,750 shares subject to a stock option (right to buy) granted on February 10, 1997 ("1997 Option"); and (2) (b) the increase of 18,750 shares subject to the 1997 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 \$24.250 for the shares of ESI common stock subject to the 1997 Option, reduced to \$12.125 pursuant to the June 2002 Split.
- (4) This total does not include 6,097 shares of ESI common stock beneficially owned under the ESI 401(k) Plan on January 9, 2007.

Reporting Owners 2

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(5) The option vested in three equal installments on February 10, 1998, 1999 and 2000.

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