

ELWOOD CLARK D  
Form 4  
January 16, 2009

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

(Last) (First) (Middle)

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

3. Date of Earliest Transaction (Month/Day/Year)  
01/15/2009

(Street)  
CARMEL, IN 46032-1404

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

(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 Ownership (Instr. 4)			
			Code	V	Amount or Price					
Common Stock	01/15/2009		M <sup>(1)</sup>		6,597 (2)	A	\$ 55.6	14,901	D	
Common Stock	01/15/2009		M <sup>(1)</sup>		7,160 (3)	A	\$ 77.6	22,061	D	
Common Stock	01/15/2009		S <sup>(1)</sup>		20,761 (4)	D	\$ 110.162 (4)	1,300	D	
Common Stock	01/15/2009		S <sup>(1)</sup>		1,300 (5)	D	\$ 111.458	0	D	

(5)

Common Stock	6,097	I	By Company 401(k) Plan
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 (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)	\$ 55.6	01/15/2009		M <sup>(1)</sup>	6,597 <sup>(2)</sup>	<sup>(6)</sup> 11/02/2012	Common Stock	6,597 <sup>(2)</sup>
Stock Option (Right to Buy)	\$ 77.6	01/15/2009		M <sup>(1)</sup>	7,160 <sup>(3)</sup>	<sup>(7)</sup> 01/31/2014	Common Stock	7,160 <sup>(3)</sup>

## 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

01/16/2009

\_\_Signature of  
Reporting Person

Date

## 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 Rule 10b5-1 trading plans adopted by the reporting person on August 8, 2008.
  - (2) Represents a portion of the 19,790 shares subject to a stock option (right to buy) with an effective grant date of November 2, 2005.
  - (3) Represents a portion of the 21,480 shares subject to a stock option (right to buy) with an effective grant date of January 31, 2007.  
This transaction was executed in multiple trades at prices ranging from \$110.00 to \$110.96. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the Securities and Exchange Commission staff, the issuer or a security holder of the issuer, full information regarding the number of shares sold at each separate price.
  - (4) This transaction was executed in multiple trades at prices ranging from \$111.24 to \$111.69. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the Securities and Exchange Commission staff, the issuer or a security holder of the issuer, full information regarding the number of shares sold at each separate price.
  - (5) The option vested immediately on November 2, 2005.
  - (6) The option vests in three equal installments on January 31, 2008, 2009 and 2010.
  - (7)

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.