

CHAMPAGNE RENE R
Form 4
January 09, 2007

FORM 4

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

OMB APPROVAL

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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 *
CHAMPAGNE RENE R

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)
01/09/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman and CEO

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Code V Amount Price | | | |
| Common Stock | 01/09/2007 | | S ⁽¹⁾ | 600 ⁽²⁾ D \$ 69 | 65,988 ⁽³⁾ | D | |
| Common Stock | 01/09/2007 | | S ⁽¹⁾ | 100 ⁽²⁾ D \$ 69.03 | 65,888 ⁽³⁾ | D | |
| Common Stock | 01/09/2007 | | S ⁽¹⁾ | 300 ⁽²⁾ D \$ 69.04 | 65,588 ⁽³⁾ | D | |
| Common Stock | 01/09/2007 | | S ⁽¹⁾ | 200 ⁽²⁾ D \$ 69.05 | 65,388 ⁽³⁾ | D | |
| | 01/09/2007 | | S ⁽¹⁾ | 400 ⁽²⁾ D | 64,988 ⁽³⁾ | D | |

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- (1) The transactions reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on November 2, 2006.
Represents a portion of the: (a) 67,000 shares subject to a stock option (right to buy) granted on January 13, 1998 ("1998 Option"); and
- (2) (b) the increase of 67,000 shares subject to the 1998 Option pursuant to the 2-for-1 split of the ESI common stock on June 6, 2002 ("June 2002 Split").
- (3) This total does not include 10,801 shares of ESI common stock beneficially owned under the ESI 401(k) Plan on January 9, 2007, or 22,300 shares of ESI common stock that are indirectly owned by the reporting person through a trust.
- (4) The option vested in three equal installments on January 13, 1999, 2000 and 2001.

Remarks:

This is the third of three Form 4s filed by the reporting person for transactions that occurred on January 9, 2007. Due to software limitations, all of the transactions that occurred on that date cannot be reported on one Form 4.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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