

ELWOOD CLARK D  
Form 4  
January 28, 2011

**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)  
01/27/2011

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
EVP, Chief Admin&Legal Officer

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 (D) Price                                |                                                                                               |                                                          |                                   |
| Common Stock <sup>(1)</sup>     | 01/27/2011                           |                                                    | A                              | 9,519 A \$ 0                                                      | 9,519                                                                                         | D                                                        |                                   |
| 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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SEC 1474 (9-02)

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. 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. Pr Deriv Secur (Instr. 3 and 4) |                            |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|------------------------------------|----------------------------|
|                                            |                                                        |                                      |                                                    | Code                           | V (A) (D)                                                                               | Date Exercisable                                         | Expiration Date                                               | Title                              | Amount or Number of Shares |
| Restricted Stock Units <sup>(2)</sup>      | (3)                                                    | 01/27/2011                           |                                                    | A                              | 3,062                                                                                   | (3)                                                      | (3)                                                           | Common Stock                       | 3,062                      |

## Reporting Owners

| Reporting Owner Name / Address                                                                             | Relationships |           |                                |       |
|------------------------------------------------------------------------------------------------------------|---------------|-----------|--------------------------------|-------|
|                                                                                                            | Director      | 10% Owner | Officer                        | Other |
| ELWOOD CLARK D<br>C/O ITT EDUCATIONAL SERVICES INC<br>13000 NORTH MERIDIAN STREET<br>CARMEL, IN 46032-1404 |               |           | EVP, Chief Admin&Legal Officer |       |

## Signatures

|                                                            |            |
|------------------------------------------------------------|------------|
| Christine G. Long, Attorney-In-Fact for Clark D.<br>Elwood | 01/28/2011 |
| <sup>**</sup> 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).
- Restricted stock units awarded under the 2006 ITT Educational Services, Inc. Equity Compensation Plan (the "2006 Plan"), a Rule 16b-3 plan. The award will settle in three equal installments on January 27, 2012, 2013 and 2014 in the form of one share of the Company's common stock for each restricted stock unit being settled.
- (1) plan. The award will settle in three equal installments on January 27, 2012, 2013 and 2014 in the form of one share of the Company's common stock for each restricted stock unit being settled.
  - (2) Restricted stock units awarded under the 2006 Plan.
  - (3) "Settlement Date"), cash in an amount equal to the average of the closing market prices of the Company's common stock over the 20 trading days prior to the Settlement Date.

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.