

CHAMPAGNE RENE R
Form 4
November 02, 2007

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 *
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)
11/01/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman of Board and Employee

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount (A) or Price (D) | | |
| Common Stock | 11/01/2007 | | J(1) | | 190 D \$ 125.26 | I | By Trust |
| Common Stock | 11/01/2007 | | J(1) | | 95 A \$ 125.26 | D | |
| Common Stock | 11/01/2007 | | J(1) | | 95 A \$ 125.26 | I | By Spouse |
| Common Stock | | | | | | I | By Company 401(k) |
| | | | | | | | 10,771 (2) |

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 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. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|--------------------------------|
| | Director | 10% Owner | Officer | Other |
| CHAMPAGNE RENE R C/O ITT EDUCATIONAL SERVICES INC 13000 NORTH MERIDIAN STREET CARMEL, IN 46032-1404 | X | | | Chairman of Board and Employee |

Signatures

Christine G. Long, Attorney-In-Fact for Rene R.
Champagne

11/02/2007

__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).

On November 1, 2007, a charitable remainder trust of which the reporting person's spouse is a trustee and of which the reporting person and his spouse are beneficiaries distributed 95 shares of ESI common stock to each of the reporting person and his spouse, for a total of (1) 190 shares of ESI common stock, in satisfaction of the trust's obligation to pay \$23,800 to the reporting person and his spouse. The reporting person continues to report beneficial ownership of all of the ESI common stock held by the trust but disclaims beneficial ownership, except to the extent of his and his spouse's pecuniary interest therein.

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- Due to an exempt sale of shares by the administrator of the Company 401(k) Plan to refund an excess contribution to the Company 401(k) Plan, the number of shares of ESI common stock beneficially owned by the reporting person under the Company 401(k) Plan is less than previously reported.
- (2)

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.