

ITT EDUCATIONAL SERVICES INC  
 Form 4  
 November 27, 2006

**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)  
 13000 NORTH MERIDIAN STREET  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 11/24/2006

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

CARMEL,, IN 46032

(City) (State) (Zip)

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

**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)                                                        | Price                                                                                         |                                                          |                                   |                       |   |          |
|                                 |                                      |                                                    |                                | Code                                                              | V                                                                                             | Amount                                                   | (D)                               | Price                 |   |          |
| Common Stock                    | 11/24/2006                           |                                                    | G <sup>(1)</sup>               | V                                                                 | 22,300                                                                                        | D                                                        | \$ 0                              | 64,388                | D |          |
| Common Stock                    | 11/24/2006                           |                                                    | G <sup>(1)</sup>               | V                                                                 | 22,300                                                                                        | A                                                        | \$ 0                              | 22,300 <sup>(2)</sup> | I | By Trust |

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 Following Reporting Transaction (Instr. 6) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------|
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------|

## Reporting Owners

| Reporting Owner Name / Address                                       | Relationships |           |                  |       |
|----------------------------------------------------------------------|---------------|-----------|------------------|-------|
|                                                                      | Director      | 10% Owner | Officer          | Other |
| CHAMPAGNE RENE R<br>13000 NORTH MERIDIAN STREET<br>CARMEL,, IN 46032 | X             |           | Chairman and CEO |       |

## Signatures

Clark D. Elwood, Attorney-In-Fact for Rene R.  
Champagne

11/27/2006

\_\_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) On November 24, 2006, the reporting person contributed 22,300 shares of ESI common stock to 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. 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.

(2) This total does not include 10,801 shares of ESI common stock beneficially owned under the ESI 401(k) Plan on November 27, 2006.

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.