

8 SHARED DISPOSITIVE POWER
627,363

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
688,522

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
31.5%

12 TYPE OF REPORTING PERSON*
Not Applicable

*SEE INSTRUCTION BEFORE FILLING OUT!

This Amendment No. * to Schedule 13G amends and/or supplements the original Schedule 13G filed by the VSE Corporation Employee ESOP/401(k) Plan more than ten (10) years ago and amended on an annual basis each year thereafter as required.

PAGE

ITEM 1(A). NAME OF ISSUER:
VSE Corporation

ITEM 1(B). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:
2550 Huntington Avenue
Alexandria, Virginia 22303

ITEM 2(A). NAME OF PERSON FILING:
This Amendment No. * is filed by the VSE Corporation
Employee ESOP/401(k) Plan, an employee benefit plan.

ITEM 2(B). ADDRESS OF PRINCIPAL BUSINESS OFFICE:
The principal business office for the VSE Corporation
Employee ESOP/401(k) Plan is located at 2550 Huntington
Avenue, Alexandria, Virginia 22303

ITEM 2(C). CITIZENSHIP:
The VSE Corporation Employee EMPLOYEE ESOP/401(k) Plan is
organized under the laws of the commonwealth of Virginia.

ITEM 2(D). TITLE OF CLASS OF SECURITIES:
Common stock, \$.05 par value

ITEM 2(E). CUSIP NUMBER:
918284 10

ITEM 3(F). Employee Benefit Plan which is subject to the provisions
of the Employee Retirement Income Security Act of 1974.

ITEM 4. OWNERSHIP

- (a) Amount Beneficially Owned:
688,522
- (b) Percent of Class:
31.5%
- (c) Number of shares as to which such person has:
 - (i) sole power to vote or direct the vote
61,159
 - (ii) shared power to vote or direct the vote
627,363
 - (iii) sole power to dispose or direct the disposition of
61,159
 - (iv) shared power to dispose or direct the disposition of
627,363

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

Not applicable.

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Not applicable. This is an employee benefit plan subject to the requirements of the Employee Retirement Income Security Act of 1974. There are approximately 700 participants in the plan.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY.

Not applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.

Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP.

Not applicable.

Page 4 of 5

PAGE

ITEM 10. CERTIFICATION.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 26, 1999 VSE Corporation Employee ESOP/401(k) Plan

By /s/ M. A. Robin

M. A. Robin, Trustee

Page 5 of 5