

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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **August 24, 2009**

VSE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction
of Incorporation)

0-3676

(Commission File Number)

54-0649263

(IRS Employer
Identification Number)

2550 Huntington Avenue

Alexandria, VA

(Address of Principal Executive Offices)

22303-1499

(Zip Code)

(703) 960-4600

(Registrant's Telephone Number, Including Area Code)

Not applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events

On August 24, 2009, VSE Corporation issued a press release announcing the award of a \$249 million contract option modification to continue support of NAVSEA PMS 326 and 333 for ex-U.S. Navy ships that are sold, leased, or otherwise transferred through the Foreign Military Sales (FMS) program. A copy of the press release is being furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable
- (d) Exhibits.

**Exhibit
Number**

Description

99.1	Press Release, dated August 24, 2009
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VSE CORPORATION

Date: August 24, 2009

By: /s/ Thomas R. Loftus

Thomas R. Loftus

Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit
Number

Description

99.1

Press Release, dated August 24, 2009

VSE Awarded \$249 Million Cost-Plus Award Fee Contract Option Modification by Navy

Award Will Allow Continued Support of EX-U.S. Navy Ships That Are Bought, Sold or Transferred Through the Foreign Military Sales Program

ALEXANDRIA, Va.--(BUSINESS WIRE)--August 24, 2009--VSE Corporation (Nasdaq GS: VSEC) reported today that it has been awarded a \$249 million cost-plus award fee contract option modification by the Naval Sea Systems Command that can be exercised by the Navy to provide one additional year of continued support to NAVSEA PMS 326 and 333 for ex-U.S. Navy ships that are sold, leased or otherwise transferred through the Foreign Military Sales (FMS) program to FMS customers.

This contract provides for services supporting U.S. ships that are sold, leased or otherwise transferred to FMS customers by providing engineering, technical, procurement, logistics, test, inspection, calibration, repair, maintenance and overhaul support services, including reactivation and modernization.

Since 1995, VSE's International Group, GLOBAL Division (formerly BAV Division) has transferred 42 ships to foreign governments. VSE is currently reactivating EX-USNS *Andrew J. Higgins* (TAO-190) for transfer to Chile. Additionally, VSE actively supports various countries through the follow-on technical support requirements of the contract, providing training, maintenance, repair, and in-country infrastructure improvement assistance in support of transferred ships. Countries currently supported by VSE include Bahrain, Egypt, Japan, Mexico, Taiwan, Turkey, Poland, Philippines, Italy and Romania.

"We are extremely pleased to have won this award. It is a testament to the confidence and trust we have earned from the U.S. Navy and their foreign clients for the past 14 years," said VSE CEO/COO/President Maurice "Mo" Gauthier. "We look forward to continuing to deliver excellence and innovative technology solutions to the world's navies for years to come."

About VSE's International Group

International Group provides engineering, industrial, logistics and foreign military sales services to the U.S. military and other government agencies. The divisions in this Group include GLOBAL and Fleet Maintenance Division (FMD). GLOBAL Division provides assistance to the U.S. Navy in executing its Foreign Military Sales ("FMS") Program for ex-US Navy surface ships sold, leased or granted to foreign countries by providing program management, engineering, industrial support, technical support, logistics and crew training services for ship reactivations and transfers and follow-on support. FMD provides global field engineering, logistics, maintenance and information technology services to the U.S. Navy, Army and Air Force, including fleet-wide ship, vehicle and aircraft support programs. FMD's expertise includes ship repair and modernization, ship systems installations, facility operations, war reserve materials management, aircraft sustainment and maintenance automation, and IT systems integration. Under its Government Services Department, FMD also provides seized and forfeited property management for the US Treasury including, retrieval, transportation, storage, liquidation and facilities management. Munitions and Ordnance Department of FMD provides munitions and ordnance R&D, operational requirements support, decontamination, demilitarization, and program management support. For more information about International Group's services please see the VSE Corporation website at www.vsecorp.com or contact Donald Babcock at (703) 329-4683.

About VSE

VSE marked its 50th year as a government contractor in January 2009. Established in 1959, VSE is a diversified professional services company providing engineering and consulting services, systems integration, infrastructure support, and information technology management and solutions, principally to agencies of the United States Government and other government prime contractors at locations across the United States and around the world. For additional information on VSE services and products, please see our web site at www.vsecorp.com or contact Randy Hollstein, Corporate Vice President of Sales and Marketing, at (703) 329-3206.

VSE encourages investors and others to review the detailed reporting and disclosures contained in VSE public filings with the Securities and Exchange Commission for further information and analysis of VSE's financial condition and results of operations. The public filings include additional discussion about the status of specific customer programs and contract awards, risks, revenue sources and funding, dependence on material customers, and management's discussion of short and long term business challenges and opportunities.

CONTACT:

VSE

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