

VSE CORPORATION
2550 Huntington Avenue, Alexandria, Virginia 22303-1499

Notice of 1995
Annual Meeting of
Stockholders and
Proxy Statement

To Our Stockholders:

You are cordially invited to attend the annual meeting of stockholders of VSE Corporation to be held on Saturday, May 6, 1995, commencing at 10:00 a.m., Washington, D.C. time, at the Value Engineering Building, 2550 Huntington Avenue, Alexandria, Virginia 22303-1499. The matters expected to be considered at the annual meeting are described in the accompanying notice of meeting and proxy statement.

In addition, at the meeting we will review the activities of the company during the past year and its current activities. Stockholders will have an opportunity to ask questions. I hope you will be able to join us.

To ensure that your VSE common stock is voted at the meeting, please promptly sign and date the enclosed proxy card and return it in the enclosed envelope. Your vote is important.

Very truly yours,

VSE CORPORATION

D. M. Ervine

D. M. Ervine
Chairman of the Board
of Directors

April 7, 1995
VSE CORPORATION
2550 Huntington Avenue, Alexandria, Virginia 22303-1499

Notice of Annual Meeting of Stockholders
to be Held ON May 6, 1995

To the Stockholders of VSE Corporation:

Notice is hereby given that the annual meeting of stockholders of VSE Corporation, a Delaware corporation ("VSE"), will be held on Saturday, May 6, 1995, commencing at 10:00 a.m., Washington, D.C. time, at the Value Engineering Building, 2550 Huntington Avenue, Alexandria, Virginia 22303-1499, for the following purposes:

1. To elect nine directors to serve until the next annual

meeting of stockholders and until their successors are duly elected and qualified.

2. To ratify the appointment of Arthur Andersen LLP as VSE's independent certified public accountants for the year ending December 31, 1995.
3. To transact such other business as may properly come before the meeting or at any adjournment thereof.

Only record holders of VSE common stock as of the close of business on March 22, 1995, will be entitled to notice of, and to vote at, the annual meeting or at any adjournments thereof. The list of stockholders entitled to vote at the meeting or at any adjournments thereof will be open to the examination of any stockholder during the 10 days prior to the meeting at VSE's offices located at 2550 Huntington Avenue, Alexandria, Virginia 22303-1499, during ordinary business hours.

The VSE Corporation 1994 Annual Report to Stockholders, which contains consolidated financial statements and other information of interest to stockholders, accompanies this proxy material.

Whether or not you expect to attend the meeting, please promptly complete, sign, date and return the enclosed proxy. To return your proxy you may use the self-addressed envelope, which requires no postage if mailed within the United States of America. If you attend the meeting, you may, if you wish, withdraw your proxy and vote your shares personally.

By Order of the Board of Directors,

C. S. Weber

C. S. Weber
Secretary

Dated: April 7, 1995

VSE CORPORATION

PROXY STATEMENT

Annual Meeting of Stockholders
to be held on May 6, 1995

INTRODUCTION

General

This proxy statement is being furnished to the stockholders of VSE Corporation, a Delaware corporation ("VSE"), in connection with the solicitation of proxies by the board of directors of VSE (the "Board") for use at VSE's annual meeting of stockholders to be held on Saturday, May 6, 1995, commencing at 10:00 a.m., Washington, D.C. time, at the Value Engineering Building, 2550 Huntington Avenue, Alexandria, Virginia 22303-1499, and at any adjournments thereof (the "Meeting") for the purposes specified in the accompanying notice of meeting.

The mailing address of VSE's principal executive offices is 2550 Huntington Avenue, Alexandria, Virginia 22303-1499. VSE's telephone number is (703) 960-4600. This proxy statement and the accompanying notice and form of proxy are first being provided to the holders of VSE common stock, par value \$.05 per share (the "stockholders"), on or about April 7, 1995.

The close of business on March 22, 1995, is the record date for the determination of stockholders entitled to notice of, and to vote at, the Meeting. Holders of a majority of the outstanding VSE common stock, par value \$.05 per share (the "Stock"), as of March 22, 1995, must be present at the Meeting, either in person or represented by proxy, to constitute a quorum for the transaction of business. As of the close of business on March 22, 1995, there were 863,167 shares of Stock outstanding and approximately 360 stockholders of record. Each stockholder is entitled to one vote for each share of Stock held of record as of the close of business on March 22, 1995, on all matters which may be submitted to the stockholders at the Meeting.

Voting and Revocation of Proxies

All Stock represented by valid proxies will be voted at the Meeting in accordance with the directions on the proxies. If no direction is indicated on a proxy, the Stock represented thereby will be voted for (a) the election as VSE directors of the nine nominees listed below under "ELECTION OF DIRECTORS" and (b) the ratification of the appointment of Arthur Andersen LLP as VSE's independent certified public accountants for the year ending December 31, 1995, all as discussed below.

Votes cast by proxy or in person at the Meeting will be tabulated by the inspectors of election appointed for the Meeting. The inspectors of election will treat abstentions as Stock that is present and entitled to vote for purposes of determining the presence of a quorum, but as unvoted for purposes of determining the approval of any matter submitted to stockholders for a vote. If a broker indicates on a proxy that such broker does not have discretionary authority as to certain Stock to vote on a particular matter, such shares will not be considered as present and entitled to vote with respect to such matter.

As of the date of this proxy statement, the Board does not intend to present, and has not been informed that any other person intends to present, any matter for action at the Meeting other than those specifically referred to herein. If, however, any other matters are properly presented to the Meeting for action, the proxy holders will vote the proxies, which confer authority on such holders to vote on such matters, in accordance with their best judgment. The persons named as attorneys-in-fact in the proxies are VSE officers.

A stockholder returning a proxy to VSE may revoke it at any time before it is exercised by granting a later proxy with respect to the same Stock or by communicating such revocation in writing to VSE's secretary. In addition, any stockholder who has executed a proxy but attends the Meeting may cancel a previously given proxy by voting in person whether or not the proxy has been revoked in writing.

<TABLE>

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information on beneficial ownership of Stock, as of March 22, 1995, (a) by each person known by VSE to beneficially own more than 5% of the then outstanding Stock, (b) by each VSE director, (c) by each of the named VSE executive officers, and (d) by all VSE directors and executive officers as a group. The voting and investment powers of the Stock listed below are held solely by the reported owner unless otherwise indicated.

<CAPTION>

Name of Beneficial Owner <S>	Amount of Beneficial Ownership (Shares) <C>	Percent of Outstanding Stock <C>
VSE Corporation		
ESOP/401(k) Plan	345,309 (1)	40.0%
E. Barrineau	2,492	*
B. S. Bartholomew	5,954	*
Sarah Clements	0	0
D. M. Ervine	11,756	1.4%
E. V. Karl	1,481	*

C. S. Koonce	155,552 (2)	18.0%
J. M. Knowlton	5,593	*
J. M. Marchello	1,500	*
R. B. McFarland	3,685	*
D. M. Osnos	0	0
J. D. Ross	0	0
B. K. Wachtel	11,700 (3)	1.4%
C. S. Weber	19,298 (4)	2.2%
H. P. Weinberg	4,080	*
All directors and executive officers as a group (5)	282,241	32.7%

<FN>

* Represents less than 1% of outstanding stock.

(1) These shares are held in trust for the benefit of the participants of the Plan. Two VSE officers serve as trustees of the Plan. The participants of the Plan have voting power over 286,159 shares allocated to their respective ESOP accounts, while the two Plan trustees (M. A. Robin and C. S. Weber) share voting and investment power over the remaining 59,150 shares. The mailing address for the Plan is 2550 Huntington Avenue, Alexandria, Virginia 22303-1499.

(2) Mr. Koonce's mailing address is 6550 Rock Spring Drive, Suite 600, Bethesda, Maryland 20817. Children of Mr. Koonce are the beneficial owners of an additional 29,800 shares. Mr. Koonce disclaims beneficial ownership of the shares owned by his children.

(3) Includes 400 shares held by Wachtel & Co. Inc.

(4) Excludes 59,150 shares beneficially owned or controlled as a trustee of the ESOP/401(k) Plan.

(5) The group, including the two trustees of the ESOP/401(k) Plan, consists of 15 persons. The 279,304 shares beneficially owned include 59,150 shares beneficially owned or controlled by the two trustees of the ESOP/401(k) Plan.

</FN>

</TABLE>

Item No. 1

Election of Directors

Nominees

At the Meeting, stockholders will elect, by a plurality of the votes cast, nine VSE directors, who will constitute the entire Board. Each nominee listed below is currently serving as a VSE director and was elected by the stockholders at the last annual meeting of stockholders, except for Jimmy D. Ross, who was appointed as a VSE director by the Board in July 1994. Each nominee elected as a director will serve until the next annual meeting of stockholders and until his or her successor is elected and qualified. If any nominee should become unable to serve for any reason, the proxies will be voted for such substitute nominee as shall be designated by the Board.

<TABLE>

The nine nominees for election as VSE directors and certain information regarding them are as follows:

<CAPTION>

Name and Principal Occupation	Director	Age	since
Harold P. Weinberg	<C>	<C>	69 1961
VSE officer from 1963 until retirement in 1991.			

David M. Osnos	63	1968
Senior partner of Arent Fox Kintner Plotkin & Kahn, attorneys-at-law (for more than the past five years); also a director of EastGroup Properties and Washington Real Estate Investment Trust.		

Sarah Clements 84 1987
 Private consultant and formerly Deputy for Material Acquisition Management in the Office of the Assistant Secretary of the Army (RDA) (1975 to 1981). Before retiring in 1981, she served for 35 years in the Federal Aviation Administration and the Department of the Army.

Donald M. Ervine 58 1987
 VSE Chairman of the Board and Chief Executive Officer since 1992, VSE President and Chief Operating Officer from 1988 to 1992, and prior thereto, senior program manager, vice president, senior vice president, and executive vice president since 1983.

Richard B. McFarland 61 1988
 VSE President and Chief Operating Officer since February 1993 and a private consultant to VSE from 1988 to 1993; formerly executive director of the Navy Ships Parts Control Center (1982 to 1988). Before retiring in 1988, he served for 25 years in the Department of the Navy.

Joseph M. Marchello 61 1990
 Professor at Old Dominion University in Norfolk, Virginia, chemical engineering; Chancellor of the University of Missouri-Rolla from 1976 to 1985 and President of Old Dominion University from 1985 to 1988.

<CAPTION>

Name and Principal Occupation	Director	Age	since
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Bonnie K. Wachtel Vice President and General Counsel, Wachtel & Co. Inc., Brokers and Underwriters (for more than the past five years). Also a director of Integral Systems, Inc., SSE Telecom, Inc., Information Analysis, Inc., and Data Measurement Corporation.	39	1991	
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Calvin S. Koonce President, Koonce Securities, Inc., a securities broker/dealer firm (for more than the past five years). Also a director of Exotech Inc.	57	1992	
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Jimmy D. Ross General, U. S. Army (Ret.). Since retiring in 1994 after 36 years of military service, General Ross has served as Senior Vice President, Biomedical Services, for the American Red Cross.	58	1994	
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Committees of the Board

The audit committee of the Board met three times during 1994. The committee consists of Mr. Marchello, Chairman, Mrs. Clements, Mr. Ross, and Mr. Weinberg. The audit committee is primarily concerned with the effectiveness of VSE accounting policies and practices, financial reporting, and internal controls. The committee recommends to the Board the firm to be appointed as VSE's independent certified public accountants, subject to ratification by the stockholders, and reviews the scope of the annual examination of VSE's books and records. The committee also reviews the audit findings and recommendations of the independent public accountants, considers the organization and work of VSE's internal audit function, and monitors the extent to which the findings and recommendations of these groups

have been implemented.

The compensation committee of the Board met two times during 1994. The compensation committee consists of Mr. Koonce, Chairman, Mrs. Clements, Mr. Marchello, Mr. Osnos, Mr. Ross, and Mr. Weinberg. The committee is primarily concerned with corporate compensation policies, including incentive compensation, the compensation of the chief executive officer, and the compensation of certain other executive officers and employees.

The nominating committee of the Board met one time during 1994. The committee consists of Mr. Osnos, Chairman, Ms. Wachtel and Mr. Weinberg. The committee is primarily concerned with making recommendations to the Board with respect to nominees to be proposed for election as directors. Stockholders of VSE may recommend persons to be nominated for election as directors of VSE at the Meeting. To be considered, such recommendation must be submitted in accordance with VSE's by-laws and must be received in writing by the secretary of VSE no later than ninety (90) days before the date in the current year which corresponds to the date on which the Meeting was held during the immediate prior year.

The planning committee of the Board met two times during 1994. The committee consists of Mr. McFarland, Chairman, Mrs. Clements, Mr. Koonce, Mr. Marchello, and Ms. Wachtel. The committee is primarily concerned with reviews and recommendations to the Board with respect to business development and capitalization.

VSE's chairman and chief executive officer (Mr. Ervine) is an ex officio member of all standing committees of the Board, including the audit, compensation, nominating and planning committees. Mr. Ervine does not participate in meetings or discussions of the compensation committee concerned with establishing his salary or bonus.

Board Meetings and Director Compensation

During 1994 the Board held six regular meetings. No director attended fewer than 75% of the aggregate of (a) the total number of Board meetings held (during the period during which he or she has been a director) and (b) the total number of meetings held by all committees of the Board on which he or she served.

Directors of VSE, excluding those who are also VSE officers, receive an annual retainer of \$10,000 plus \$600 per meeting for each regular Board meeting or committee attended, not to exceed an aggregate of \$17,200 in retainer and meeting fees for the year. Directors who are also VSE officers (Mr. Ervine and Mr. McFarland) are compensated at a rate equal to one-half of the rate of non-employee directors, not to exceed an aggregate of \$8,600 for the year.

Pursuant to a consulting agreement between Ms. Clements and VSE, Ms. Clements agreed to provide technical and management consulting services to VSE. VSE agreed to pay consulting fees at the rate of \$60 per hour and to reimburse certain related out-of-pocket expenses.

Pursuant to a consulting agreement between JMM Corporation ("JMM"), which is wholly owned by Mr. Marchello, and VSE, JMM agreed to provide technical and management consulting services to VSE. VSE agreed to pay consulting fees at the rate of \$150 per hour for up to the first 20 hours of consulting services rendered in any one month and at the rate of \$50 per hour for each hour in excess of 20 hours in any month, and to reimburse certain related out-of-pocket expenses.

Pursuant to a consulting agreement between Mr. Ross and VSE, Mr. Ross agreed to provide technical and management consulting services to VSE. VSE agreed to pay consulting fees at the rate of \$100 per hour, not to exceed \$50,000 per year.

Pursuant to a consulting agreement between Mr. Weinberg and VSE, Mr. Weinberg agreed to provide technical and management consulting services to VSE. VSE agreed to pay consulting fees at the rate of \$60

per hour and to reimburse certain related out-of-pocket expenses.

For services rendered to VSE during 1994, Ms. Clements, Mr. Marchello, Mr. Ross, and Mr. Weinberg received consulting fees and reimbursements for certain related out-of-pocket expenses in the aggregate amounts of approximately \$25,000, \$8,000, \$3,000 and \$32,000, respectively (either under the above-discussed agreements or under predecessor agreements with substantially similar terms).

While VSE has not yet determined whether to extend or replace the above-discussed consulting agreements with Ms. Clements, Mr. Marchello, Mr. Ross, and Mr. Weinberg, VSE expects that such agreements would be extended or that substantially similar agreements would be entered into with the named directors. VSE believes that the fees payable under the consulting agreements are no more than would be paid for similar services to non-affiliated parties.

Certain Relationships and Related Transactions

There is no family relationship between any director or executive officer of VSE and any other director or executive officer of VSE.

The law firm of Arent Fox Kintner Plotkin & Kahn, of which Mr. Osnos is a senior partner, has represented and is expected to continue to represent VSE on various legal matters.

See "Board Meetings and Director Compensation" above for a description of certain consulting agreements between VSE and directors Mrs. Clements, Mr. Marchello, Mr. Ross, and Mr. Weinberg.

VSE and the trustees of its employee benefit plans effect certain of their transactions in VSE stock and employee benefit plan investments, respectively, through Wachtel & Co., Inc., of which Ms. Wachtel is a director, officer and shareholder, and through Koonce Securities, Inc., which is wholly owned by Mr. Koonce.

Item No. 2

Appointment of Independent Certified Public Accountants

The Board on the recommendation of its Audit Committee has appointed the firm of Arthur Andersen LLP to be VSE's independent certified public accountants for the year ending December 31, 1994, and recommends to stockholders that they vote for ratification of that appointment. Although not required to do so, the Board has determined that it would be desirable to request approval of this appointment by stockholders. The notification of the appointment of VSE's independent certified public accountants will require the affirmative vote by the holders of a majority of the outstanding Stock present in person or represented by proxy at the Meeting. If such approval is not received, the Board will reconsider the appointment.

In 1994 Arthur Andersen LLP's services included an examination of VSE's consolidated financial statements, the financial statements of certain subsidiaries and benefit plans, and tax consulting.

A representative of Arthur Andersen LLP is expected to attend the Meeting, will have an opportunity to make a statement, if he or she desires to do so, and will be available to respond to appropriate questions.

Compensation Committee Report

In December 1992 the Board established a standing compensation committee to (a) review corporate compensation policies, including incentive compensation, (b) set the compensation of the chief executive officer, and (c) review the compensation of certain other executive officers and employees. Prior to 1992 the Board did not have a separate compensation committee or committee of similar function.

Compensation Philosophy

VSE's overall compensation philosophy is based on aligning employee compensation with industry standards and with financial performance objectives established by the board of directors. Under the supervision of the committee, VSE has established compensation policies which are designed to (a) attract and retain qualified executive and corporate officers and (b) link total executive compensation to specific corporate goals and to the specific individual goals appropriate for each executive and corporate officer.

The key elements of VSE executive compensation are base salary and an annual performance bonus. The corporation does not have a long-term incentive plan. The committee intends to review alternative proposals relating to long-term incentive plans at a future date and may recommend the adoption of a plan at an appropriate time.

Base Salary

The base salaries for executive officers and other corporate officers are based primarily on comparability to the range of compensation paid by companies of similar size and industry, based on commercially available wage and salary surveys. Size is determined primarily by reference to annual revenues and number of employees. VSE's industry group is engineering and technical services (SIC Code 8711). National and geographic differences in compensation are considered based on the executive's primary area of operations and responsibility. The company targets a salary range generally between the 25th and the 50th percentile indicated by such surveys.

During 1993 the committee approved a compensation plan whereby salary ranges and ceilings were set for each of six specified executive and corporate officer pay grades. The intent of this policy was to enhance corporate competitiveness by (a) freezing base salaries within a fixed salary range and (b) emphasizing the compensation incentive provided by the performance bonus program.

Performance Bonus

Consistent with the emphasis placed on competitiveness by holding salary increases in check, the committee approved a performance bonus plan in 1993 based on achieving competitive corporate and business unit goals. This plan provides for the payment of a performance bonus not to exceed thirty percent (30%) of base salary on meeting certain specified performance criteria. VSE's previous bonus plan provided for a bonus range of approximately five to fifteen percent (5 to 15%) of base salary.

The performance criteria or factors used to administer the incentive bonus program are established with the executive officer or manager at the beginning of each year. The performance factors are weighted approximately as follows: 20% on achieving corporate revenue and profit targets, 20% on achieving business unit revenue and profit targets, 15% on achieving budgeted efficiency ratios or cost reduction targets within a business unit, and 45% on achieving specified performance objectives within the business unit, such as proposals submitted and won, new business development, and total quality management.

Except for the 20% weighting factor assigned for corporate revenue and profit goals, the factors and weightings used to measure the performance of an individual executive or corporate officer depend on the conditions and corporate objectives with respect to the business unit or administrative function in which the executive or corporate officer works.

All Other Compensation

The executive and corporate officers of VSE are entitled to participate in all of the company's fringe benefit programs, including the VSE ESOP/401(k) plan, which is an IRS qualified plan available to all eligible employees. Amounts contributed to the VSE ESOP/401(k) on

behalf of the named executive officers are included in the "Summary Compensation Table."

During 1994 the Board adopted a non-qualified Deferred Supplemental Compensation Plan (the "DSC Plan") for all officers of the corporation to replace the former deferred compensation plan (the "DCU Plan"). The DSC Plan provides, at the discretion of the Board, for an annual bonus pool not to exceed twelve percent of consolidated net income for the year. The annual bonus pool is allocated to the participant accounts of corporate officers in proportion to the ratio of the officer's performance bonus for the year (see "Performance Bonus" above) to total officer performance bonuses for the year. Pursuant to the DSC Plan, a bonus pool of approximately \$125,000 was authorized for 1994 for allocation to 26 participant officer accounts. Benefits under the DSC Plan and predecessor DCU Plan are payable to the participant on retirement or resignation, subject to a vesting schedule, non-competition agreement, and other plan provisions, or in the event of a change of control of the corporation. Amounts contributed to the DSC Plan during 1994 and to the DCU Plan during 1993 and 1992 on behalf of the named executive officers are included in the Summary Compensation Table.

Chief Executive Officer Compensation

During 1994 and 1993 VSE's chairman and chief executive officer ("CEO") was compensated in a manner consistent with the foregoing. The compensation committee recommended a base salary of approximately \$200,000 per annum for the CEO based on the salaries paid for CEO's at similarly situated companies. See "Base Salary" discussion.

The CEO's performance bonus for 1994 and 1993 was determined by the committee on the basis of five factors of approximately equal weight: revenue growth, return on equity, return on sales, leadership, and long-term shareholder goals. The first three factors are measured based on interim consolidated financial statements or management reports which are subject to adjustment based on annual audited financial statements. The last two factors are subjective measures evaluated by the committee in executive session. Based on its evaluation, the committee recommended a performance bonus equal to 29% and 23% of the CEO's base salary for 1994 and 1993, respectively. The increase in the recommended performance bonus for 1994 as compared to 1993 was based primarily on the CEO's performance in retaining key customers and revenues and in increasing proposal backlog and bidding opportunities, notwithstanding a decline in Department of Defense spending. See "Performance Bonus" discussion.

During 1992 VSE's former CEO and founder retired, and VSE's president was appointed as the new CEO effective as of October 31, 1992. The Board took no action with respect to adjusting the compensation of the new CEO during 1992, and accordingly, the compensation reported for the CEO in the "Summary Compensation Table" for 1992 is the compensation previously established for the president. The salary and bonus of the president in 1992 were set by the former CEO primarily on the basis of comparable survey information and on the CEO's evaluation of the president's performance and contribution.

COMPENSATION COMMITTEE:

Calvin S. Koonce (Chair)
Sally Clements
Joseph M. Marchello
David M. Osnos
Jimmy D. Ross
Harold P. Weinberg

Compensation Committee Interlocks and Insider Participation

The compensation committee has five members (Mr. Koonce, Mrs. Clements, Mr. Marchello, Mr. Osnos, Mr. Ross, and Mr. Weinberg), including four directors (Mrs. Clements, Mr. Marchello, Mr. Ross, and Mr. Weinberg) who provide consulting services to VSE. See "Board

Meetings and Director Compensation" above.

Mr. Koonce is a major stockholder of VSE. See "Security Ownership of Certain Beneficial Owners and Management." The trustees of VSE's employee benefit plans effect certain of their transactions through Koonce Securities, Inc., which is wholly owned by Mr. Koonce.

Mr. Osnos is a senior partner of the law firm of Arent Fox Kintner Plotkin & Kahn, which firm has represented and is expected to continue to represent VSE on various legal matters. See "Certain Relationships and Related Transactions."

Mr. Weinberg was a senior vice president of VSE until he retired in 1991.

VSE's chairman and chief executive officer (Mr. Ervine) is an ex officio member of all standing committees of the Board, including the compensation committee. Mr. Ervine does not participate in meetings or discussions of the compensation committee concerned with establishing his salary or bonus.

<TABLE>

Summary Compensation Table

The following table reports the compensation paid for the past three years for each of the five most highly compensated VSE executive officers, including the chief executive officer.

<CAPTION>

Name and Principal Position	Year	Annual Compensation Salary	Annual Compensation Bonus	Annual Compensation All Other Compensation (3)
<S>	<C>	<C>	<C>	<C>
Donald M. Ervine	1994	\$203,700	\$59,100	\$35,600
Chairman of the Board and Chief Executive Officer	1993	203,700	47,700	48,400
	1992	159,700	16,000	30,400
Richard B. McFarland	1994	\$146,500	\$49,400	\$30,200
President and Chief Operating Officer (appointed in February 1993)	1993	139,500	37,000	21,900
Byron S. Bartholomew	1994	\$139,400	\$15,600	\$11,900
Executive Vice President	1993	139,400	16,500	24,200
	1992	135,700	12,200	13,300
Edwin Barrineau	1994	\$115,000	\$13,600	\$ 7,500
Senior Vice President	1993	115,000	13,900	71,000 (4)
	1992	111,300	11,100	11,900
Craig S. Weber	1994	\$108,200	\$13,100	\$11,700
Senior Vice President, Chief Financial Officer, Secretary and Treasurer	1993	108,200	14,400	18,500
	1992	108,200	8,700	10,400

<FN>

(1) The column "Other Annual Compensation" has been omitted because the amounts paid by VSE, if any, aggregate less than the minimum disclosure levels.

(2) The column "Long-Term Compensation" has been omitted because VSE has no long-term compensation plans.

(3) The column headed "All Other Compensation" includes contributions made to two "defined contribution" employee benefit plans (a) the VSE ESOP, which is generally available to all VSE employees, and (b) DSC Plan or its predecessor. See "Compensation Committee Report." This column also includes (c) director and committee meeting fees paid to named executive officers. See "Board Meetings and Director Compensation." The component amounts for 1994 for named executive officers in the order listed above were approximately as follows (a) \$4,717, \$3,919, \$3,648, \$2,628, and \$2,675; (b) \$22,302, \$17,705, \$5,586, \$4,883, and \$4,709; and (c) \$8,600, \$8,600, \$2,650, \$0 and \$4,300.

(4) Includes cash payment of approximately \$49,000 in lieu of vacation.

</FN>

</TABLE>

Performance Graph

Set forth below is a line graph comparing the cumulative total return of VSE Stock with (a) a performance index for the broad market in which VSE Stock is traded and (b) a published industry index. VSE Stock is traded on the Nasdaq Stock Market, and VSE's 4-digit industry SIC Code is 8711, Engineering Services. Accordingly, the performance graph compares the cumulative total return for VSE Stock with (a) an index for the Nasdaq Stock Market (U. S. companies) ("Nasdaq Index") and (b) a published industry index for SIC Code 8711 ("Industry Index").

Total Return to Shareholders*

[insert graph]

* Total return assumes reinvestment of dividends and assumes \$100 invested on January 1, 1989, in Nasdaq Stock Market, SIC 8711 - Engineering Services, and VSE Stock.

Performance Graph Table

VSE Corporation	100	97	76	122	159	197
SIC Code Index	100	96	117	97	92	65
Nasdaq Index	100	81	104	105	126	132

Stockholder Proposals

Proposals of stockholders intended to be presented at VSE's 1996 annual meeting of stockholders must be received by VSE's secretary at its principal executive offices, 2550 Huntington Avenue, Alexandria, Virginia 22303-1499, by no later than the close of business on December 7, 1995, to be considered for inclusion in VSE's proxy material relating to such meeting.

Other Matters

VSE will bear the costs of the solicitation of proxies for use at the Meeting. In addition to the use of the mails, proxies may be solicited by personal interview, telephone and telegram by directors, officers and employees of VSE. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries who are record holders of Stock for the forwarding of solicitation material to the beneficial owners of the shares. VSE will, on the request of record holders, pay their reasonable expenses for completing the mailing of such materials to the beneficial owners.

By Order of the Board of Directors,

C. S. Weber

C. S. Weber, Secretary

April 7, 1995