SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended June 30, 2000   Commission File Number: 0-3676

VSE CORPORATION
(Exact Name of Registrant as Specified in its Charter)

DELAWARE	54-0649263
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
2550 Huntington Avenue Alexandria, Virginia	22303-1499
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: (703) 960-4600

Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act:

Common Stock, par value $.05 per share
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x]   No [ ]

Number of shares of Common Stock outstanding as of July 27, 2000: 2,122,289.

<TABLE>
VSE Corporation and Subsidiaries
Consolidated Financial Statements (Unaudited)

Consolidated Balance Sheets
- ---
(in thousands, except share amounts)
<CAPTION>

	June 30, 2000	December 31, 1999
	----	----
<S>	<C>	<C>
Assets		
Current assets:		
Cash and cash equivalents	$ 719	$ 62
Accounts receivable, principally U.S. Government, net	18,770	19,361
Deferred tax assets	763	927
Other current assets	3,277	974
	--------	--------
Total current assets	23,529	21,324
Property and equipment, net	3,789	4,377
Deferred tax assets	759	728

Intangible assets, net	1,212	1,267
Note receivable from business transferred	615	665
Other assets	2,894	2,889
Total assets	$ 32,798	$ 31,250
Liabilities and Stockholders' Investment		
Current liabilities:		
Accounts payable	$ 6,442	$ 8,193
Accrued expenses	5,738	5,977
Dividends payable	85	76
Total current liabilities	12,265	14,246
Long-term debt	2,695	-
Deferred compensation	1,843	1,859
Total liabilities	16,803	16,105
Commitments and contingencies		
Stockholders' investment:		
Common stock, par value $.05 per share, authorized 5,000,000 shares; issued 2,194,289 shares in 2000 and 1999	110	110
Paid-in surplus	3,894	3,894
Retained earnings	12,783	11,933
Treasury stock, at cost (72,000 shares in 2000 and 1999)	(792)	(792)
Total stockholders' investment	15,995	15,145
Total liabilities and stockholders' investment	$ 32,798	$ 31,250

</TABLE>
<TABLE>
VSE Corporation and Subsidiaries
Consolidated Financial Statements (Unaudited)

Consolidated Statements of Income For the three and six months ended June 30,

(in thousands, except share amounts)
<CAPTION>

	2000		1999	
	Three Months	Six Months	Three Months	Six Months
<S>	<C>	<C>	<C>	<C>
Revenues, principally from contracts	$ 31,406	$ 62,584	$ 46,050	$ 86,239
Costs and expenses of contracts	30,671	60,611	44,586	83,979
Gross profit	735	1,973	1,464	2,260
Selling, general and administrative expenses	19	182	333	492
Loss on CMstat operations	-	-	86	401
Loss on disposition of CMstat	-	-	1,098	1,098
Interest expense	57	111	67	27
Income (loss) before income taxes	659	1,680	(120)	242
Provision (benefit) for income taxes	257	660	(143)	13

Net income	$ 402	$ 1,020	$ 23	$ 229
	=========	=========	=========	=========

Basic earnings per share:

Net income	$ .19	$ 0.48	$ .01	$ 0.11
	=========	=========	=========	=========
Basic weighted average shares outstanding	2,122,289	2,122,289	2,114,905	2,114,905
	=========	=========	=========	=========

Diluted earnings per share:

Net income	$ .19	$ 0.48	$ .01	$ 0.11
	=========	=========	=========	=========
Diluted weighted average shares outstanding	2,122,289	2,122,289	2,114,905	2,114,905
	=========	=========	=========	=========

</TABLE>
<TABLE>
VSE Corporation and Subsidiaries
Consolidated Financial Statements (Unaudited)

Consolidated Statements of Stockholders' Investment
- --
(in thousands)
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	Common Stock Shares	Common Stock Amount	Paid-In Surplus	Retained Earnings	Treasury Stock
	------	------	-------	--------	-----
<S>	<C>	<C>	<C>	<C>	<C>
Balance at December 31, 1998	2,187	$ 109	$ 3,832	$ 10,703	$ (792)
Net income for the year	--	--	--	1,534	--
Issuance of stock	7	1	62	--	--
Dividends declared ($.144)	--	--	--	(304)	--
	-----	------	-------	--------	-------
Balance at December 31, 1999	2,194	110	3,894	11,933	(792)
Net income for the period	--	--	--	1,020	--
Dividends declared ($.08)	--	--	--	(170)	--
	-----	------	-------	--------	-------
Balance at June 30, 2000	2,194	$ 110	$ 3,894	$ 12,783	$ (792)
	=====	======	=======	========	=======

</TABLE>
<TABLE>
VSE Corporation and Subsidiaries
Consolidated Financial Statements (Unaudited)

Consolidated Statements of Cash Flows For the six months ended June 30,
- --
(in thousands)
<CAPTION>

	2000	1999
	----	----
<S>	<C>	<C>
Cash flows from operating activities:		
Net income	$ 1,020	$ 229
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		

Depreciation and amortization	802	844
Gain on sale of property and equipment	(114)	-
Deferred compensation plan expense	35	23
Net payments of deferred compensation	(89)	(87)
Change in Deferred taxes	133	(706)
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	591	8,248
Other current assets and noncurrent assets	(2,308)	1,157
Increase (decrease) in:		
Accounts payable	(1,713)	(3,437)
Accrued expenses	(239)	685
Net liabilities of business transferred under contractual arrangements	0	(6,765)
Net cash (used in) provided by operating activities	(1,882)	191
Cash flows from investing activities:		
Purchase of property and equipment, (net of dispositions)	(45)	(666)
Proceeds from note receivable from business transferred	50	-
Net cash provided by (used in) investing activities	5	(666)
Cash flows from financing activities:		
Net proceeds from bank loan	2,695	636
Cash dividends paid	(161)	(152)
Net cash provided by financing activities	2,534	484
Net increase in cash and cash equivalents	657	9
Cash and cash equivalents at beginning of period	62	49
Cash and cash equivalents at end of period	$ 719	$ 58

</TABLE>

VSE CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended June 30, 2000 are not necessarily indicative of the results that may be expected for the year ending December 31, 2000. For further information refer to the consolidated financial statements and footnotes thereto included in the VSE Corporation Annual Report on Form 10-K for the year ended December 31, 1999.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Divestiture

On May 21, 1999, the company sold all of its interests in the SPS segment. This entailed selling its CMstat subsidiary for an $800 thousand promissory note.

The sale is a divestiture for legal and tax purposes. For accounting purposes, the sale is not afforded discontinued operations treatment under Staff Accounting Bulletin No. 30 "Accounting for Divestiture of a Subsidiary or Other Business Operation"("SAB No. 30") since the sale did not transfer the risks of ownership because the sales price is primarily dependent on the buyer's ability to repay the promissory note.

As prescribed by SAB No. 30, the revenues, costs and expenses and cash flows for the SPS segment for the three and six month periods ended June 30, 1999, have been excluded from the respective captions in the Consolidated Statements of Operations, Balance Sheets, Cash Flows and related footnotes.

As such, the results of operations for the SPS segment are reflected as a single line item "Loss on CMstat operations" in the Consolidated Statements of Operations for each year presented. Additionally, a $1,098 thousand loss from the disposal of CMstat was recognized for the year ended December 31, 1999.

Debt

VSE has a revolving bank loan agreement that contains certain financial covenants. Under the agreement, VSE can borrow up to $30 million, subject to a borrowing formula based on billed receivables. Interest is charged at a prime-based rate or an optional LIBOR-based rate. Commitment fees are charged on the unused portion of the revolving loan commitment. The termination date of the revolving loan is May 31, 2002. The loan agreement contains collateral requirements by which company assets secure amounts outstanding, restrictive covenants that include minimum tangible net worth and cash flow coverage ratio requirements, a limit on annual dividends, and limits on investments and loans to certain affiliates.

Due to losses incurred by VSE's CMstat subsidiary, the company was not in compliance with certain original loan covenants during 1999. The company's banks amended the loan agreement to restate certain terms and conditions of the loan, including the covenants with which the company was not compliant. The company was in compliance during 2000 and 1999 with all covenants of the loan agreement as amended.

Litigation

The company and its subsidiaries have, in the normal course of business, certain other claims against them and against other parties. In the opinion of management, the resolution of these claims will not have a material adverse effect on the company's results of operations or financial position.

Segment Information

Prior to May 21, 1999, VSE had two reportable segments: the engineering, logistics, management, and technical services segment ("ELMTS"), which provides diversified engineering, technical, and management services principally to agencies of the United States Government and to other government prime contractors; and the software products and services segment ("SPS"), which provides application software and services related to the installation of the software to primarily commercial customers.

On May 21, 1999, the company sold all of its interests in the SPS segment for an $800 thousand promissory note (see "Divestiture" above).

<TABLE>
The following table presents revenues and other financial information by business segment for the three and six month periods ended June 30, 2000 and June 30, 1999, in thousands:
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Six Months
Ended   Effect of

June 30, 2000	ELMTS	SPS	Subtotal	Disposition	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Revenues	$62,584	$ -	$62,584	$ -	$62,584
Interest expense	111	-	111	-	111
Depreciation and amortization	802	-	802	-	802
Loss on disposition of CMstat	-	-	-	-	-
Operating income	1,680	-	1,680	-	1,680
Expenditures for capital assets	294	-	294	-	294
Assets	32,798	-	32,798	-	32,798

Six Months Ended June 30, 1999	ELMTS	SPS	Subtotal	Effect of Disposition	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Revenues	$86,239	$ 902	$87,141	$(902)	$86,239
Interest expense	27	128	155	(128)	27
Depreciation and amortization	844	105	949	(105)	844
Loss on disposition of CMstat	-	1,098	1,098	-	1,098
Operating income (loss)	1,720	(1,478)	242	-	242
Expenditures for capital assets	819	25	844	(25)	819
Assets	38,398	-	38,398	-	38,398

Three Months Ended June 30, 2000	ELMTS	SPS	Subtotal	Effect of Disposition	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Revenues	$31,406	$ -	$31,406	$ -	$31,406
Interest expense	57	-	57	-	57
Depreciation and amortization	405	-	405	-	405
Loss on disposition of CMstat	-	-	-	-	-
Operating income	659	-	659	-	659
Expenditures for capital assets	107	-	107	-	107
Assets	32,798	-	32,798	-	32,798

Three Months Ended June 30, 1999	ELMTS	SPS	Subtotal	Effect of Disposition	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Revenues	$46,050	$ 174	$46,224	$(174)	$46,050
Interest expense	67	-	67	-	67
Depreciation and amortization	424	39	463	(39)	424
Loss on disposition of CMstat	-	1,098	1,098	-	1,098
Operating income (loss)	1,062	(1,182)	(120)	-	(120)
Expenditures for capital assets	461	12	473	(12)	461
Assets	38,398	-	38,398	-	38,398

</TABLE>

VSE CORPORATION AND SUBSIDIARIES

Management Discussion and Analysis

During 2000, VSE and its subsidiaries and divisions operate in one reportable segment, the engineering, logistics, management and technical services segment ("ELMTS"). The company had two reportable segments, ELMTS and the software products and services segment ("SPS") for the year 1999. The term "VSE" or "company" means VSE and its subsidiaries and divisions unless the context indicates operations of the parent company only.

The ELMTS business operations consist of the operations of the parent company, operations of the company's wholly owned subsidiaries and operations of the company's divisions.

Software products and services in 1999 included sales of developed software products and the services related to the installation and use of the software. This is the primary business of VSE's former subsidiary CMstat Corporation ("CMstat"), sold in May 1999. (See "Divestiture" above).

<TABLE>
The following table sets forth certain items including consolidated revenues, pretax income and net income, and the changes in these items by segment for the three and six month periods ended June 30, 2000 and 1999 (in thousands):
<CAPTION>

	Three Months Ended June 30,		Six Months Ended June 30,		2000 Compared to 1999	
	2000	1999	2000	1999	Three Months	Six Months
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Engineering, Logistics, Management and Technical Services Segment:						
Revenues	$31,406	$46,050	$62,584	$86,239	$(14,644)	$(23,655)
Pretax income	$ 659	$ 1,062	$ 1,680	$ 1,720	$ (403)	$ (40)
Provision for income taxes	257	413	660	683	(156)	(23)
Net income	$ 402	$ 649	$ 1,020	$ 1,037	$ (247)	$ (17)
Software Products and Services Segment:						
Revenues	$ -	$ 174	$ -	$ 902	$ (174)	$ (902)
Pretax loss	$ -	$(1,182)	$ -	$(1,478)	$ 1,182	$ 1,478
Benefit for income taxes	-	(556)	-	(670)	556	670
Net loss	$ -	$ (626)	$ -	$ (808)	$ 626	$ 808

</TABLE>

VSE CORPORATION AND SUBSIDIARIES
Management Discussion and Analysis

RESULTS OF OPERATIONS

The discussion and analysis which follows is intended to assist in understanding and evaluating the results of operations, financial condition, and certain other matters of the company. The company is engaged principally in providing engineering, testing, and management services to the U.S. Government (the "government"). All significant intercompany transactions have been eliminated in consolidation. Certain prior year balances have been reclassified for comparative purposes.

Engineering, Logistics, Management and Technical Services Segment

Revenues for this segment declined by approximately 32% and 27%, respectively, for the three month and six month periods ended June 30, 2000, as compared to the same periods of 1999. The decreases in revenues were primarily due to a decrease in the level of services ordered under the BAV contract (see "BAV Contract" below), reduced sales by Energetics, and the expiration of a VSS contract (see "VSS Contract" below). The reduced revenues of BAV, Energetics, and VSS were partially offset by an increase in revenues from the Ordnance Division.

Pretax income for this segment decreased by approximately 38% and 2%, respectively, for the three and six month periods ended June 30, 2000, as compared to the same period of 1999. This decrease was primarily due to the decreased revenues of BAV, Energetics, and VSS. This decrease in pretax income was partially offset by an improved profit margin on remaining VSE (parent) contracts due to cost reductions implemented in 1999. Also, the revenue increase from the Ordnance Division helped offset the overall decrease in pretax profits.

The largest customer for the engineering, logistics, management and technical services rendered by the company is the U.S. Department of Defense ("Defense"), including agencies of the U.S. Army, Navy, and Air Force. VSE's engineering services revenues have historically been subject to annual fluctuations resulting from changes in the level of Defense spending. Accordingly, there can be no assurance that any future reductions in Defense spending will not have a material adverse impact on the company's results of operations or financial condition.

The company's revenues depend on the ability of the company to win new contracts and on the amount of work ordered by the government under the company's existing contracts. The company's ability to win new contracts is affected by government acquisition policies and procedures, including government procurement practices that in recent years have tended toward bundling work efforts under large comprehensive ("omnibus") management contracts. This emphasis on large contracts presents challenges to winning new contract work, including making it more difficult for the company to qualify as a bidder, increases in the level of competition due to the award of fewer contracts, and forcing the company into competition with larger organizations that have greater financial resources and larger technical staffs. Other government procurement practices that can impact the company's revenues are

the use of past performance criteria that may preclude entrance into new government markets and various government social objectives that limit contract work to small or minority owned businesses. Additional risk factors that could potentially impact the company's revenues are the government's right to terminate contracts for convenience, the government's right to not exercise all of the option periods on a contract, and funding delays caused by government political or administrative actions.

Several of the company's operating divisions were formed in recent years to bid on and perform contract work that had been traditionally performed by VSE. This has enabled the company to use an operating structure that is better suited to perform certain types of contract work. The company anticipates that it will continue using its operating divisions to bid and perform new contract work in order to better serve the needs of its customers. As the use of operating divisions for new contracts increases, the company expects that the revenue of VSE (the parent company) will be reduced in the future as parent company contracts are replaced by operating division contracts. Management believes that the use of operating divisions to perform future work and the associated improvements in servicing customers will better position the consolidated entity for future revenue growth.

BAV Contract. VSE's BAV Division has a contract with the U.S. Navy to provide engineering, technical and logistical support services associated with the sale, lease, or transfer of Navy ships to foreign governments. The contract accounted for approximately 38% and 55% of consolidated revenues from operations during the six month periods ended June 30, 2000 and 1999, respectively. The level of revenues generated by this contract will vary depending on a number of factors including the timing of ship transfers and associated support services ordered by foreign governments and economic conditions of potential customers worldwide. The company has experienced significant quarterly revenue fluctuations and anticipates that future quarterly revenues will be subject to significant variations primarily due to changes in the level of activity on this contract.

VSS Contract. VSE's VSS Division had a U.S. Navy contract to provide data management and documentation, logistics support services and configuration management services to the Naval Air Systems command. VSS began work on this contract in 1994 and the last option year was scheduled to end in 1999. The government extended the contract through April 28, 2000. VSS was not awarded the successor contract and work on this contract effort terminated as of April 28, 2000. The contract accounted for approximately 4% of consolidated revenues and 4% of consolidated pretax income from operations during the six month period ended June 30, 2000.

New Business. VSE's GSA Services Division was formed in January 1999 to bid on and perform work issued through the government's GSA schedule. This division has been awarded three purchase agreements since inception and is actively pursuing additional GSA schedule agreements.

VSI was formed in August 1999 to expand VSE's international presence and perform services for foreign governments and commercial customers similar to the services it has traditionally provided in the United States.

SRR is a partner in a joint venture that was awarded a contract associated with a new government program to dismantle and recycle retired U.S. Navy ships. The contract work effort calls for the joint venture to dismantle U.S. Navy ships and recover costs to the government by selling any salvageable materials and parts. Work on this contract began in 2000 and SRR and the joint venture have received awards for two Navy ships to date.

Divestitures

See "Divestiture" section of "Notes to Consolidated Financial Statements."

HRSI Contracts. On July 2, 2000, HRSI sold its Health Care Division and two associated contracts. The purchase price for the Health Care Division and the revenues and losses generated by these contracts were not material to VSE. This transaction will be accounted for in the third quarter of 2000.

Liquidity and Capital Resources

Cash and cash equivalents increased by approximately $700 thousand during the six month period ended June 30, 2000. Cash from financing activities contributed approximately $2.5 million of the increase and cash used in operating activities was approximately $1.8 million. Significant financing activities included increased borrowing on the company's bank loan of approximately $2.7 million. Significant investing activities included purchases of property and equipment, net of dispositions, of approximately $45 thousand.

Cash and cash equivalents increased by approximately $10 thousand during the six month period ended June 30, 1999. Cash from financing activities contributed approximately $500 thousand of the increase and cash from operating activities contributed approximately $200 thousand. Cash used in investing activities was approximately $700 thousand. Significant financing activities included increased borrowing on the company's bank loan of approximately $600 thousand. Significant investing activities included purchases of property and equipment, net of dispositions, of approximately $700 thousand.

The difference between the cash used in operating activities of approximately $1.8 million in 2000 as compared to cash provided by operating activities of approximately $200 thousand in 1999 is primarily due to changes in the levels of other current assets associated with a significant deposit made by the BAV Division in June 2000.

The company's internal sources of liquidity result primarily from operating activities, specifically from changes in the level of revenues and associated accounts receivable from period to period and from profitability. Significant increases or decreases in revenue and accounts receivable can cause significant increases or decreases in internal liquidity. The decrease in revenues and associated accounts receivable in the current year has resulted in an increase in internally generated cash flows. Accounts receivable arise primarily from billings made by the company to the government or other government prime contractors for services rendered and generally do not

present collection problems. The company has made use of recent electronic billing and payment initiatives implemented by the government to decrease the time to collect billed accounts receivable, thereby improving internal liquidity. Accounts receivable levels can also be affected by contract retainages, start-up and termination costs associated with new or completed contracts, and differences between the provisional billing rates authorized by the government compared to the costs actually incurred by the company.

Internal liquidity is also affected by the acquisition of capital assets for office and computer support and by the payment of cash dividends. Purchases of capital assets for office and computer support have not varied significantly in recent years.

Quarterly cash dividends at the rate of $.04 per share were declared during the six month period ended June 30, 2000. Pursuant to its bank loan agreement, the payment of cash dividends by VSE is subject to a maximum annual rate. VSE has paid cash dividends each year since 1973.

VSE's external sources of liquidity consist of a revolving bank loan agreement that provides loan financing based on the company's accounts receivable. (See "Debt" section of "Notes to Consolidated Financial Statements") The bank financing complements the internal sources of liquidity by providing increasing levels of borrowing capacity as accounts receivable levels increase. The bank loan agreement provided loan financing up to a maximum commitment of thirty million dollars as of the quarter ended June 30, 2000.

Performance of work under the BAV contract has the potential to cause substantial requirements for cash; however, management believes that the cash flows from future operations and the bank loan commitment are adequate to meet current operating cash requirements.

Inflation and Pricing Policy

Most of the contracts performed by VSE provide for estimates of future labor costs to be escalated for any option periods provided by the contracts, while the non-labor costs included in such contracts are normally reimbursable at cost. VSE property and equipment consists principally of computer systems equipment and furniture and fixtures. The overall impact of inflation on replacement costs of such property and equipment is expected to be insignificant.

Global Economic Conditions

VSE's business is subject to the risks arising from global economic conditions associated with potential foreign customers served through VSE's contracts with the U.S. Government. For example, an economic slowdown in countries served under the BAV contract could potentially affect BAV sales. Severe adverse global economic conditions could potentially have a material adverse impact on the company's results of operations.

Year 2000

The company is not currently aware of any Year 2000 issues that have affected its business. Costs incurred to date for Year 2000 readiness efforts have been minimal and are included as part of the company's ongoing administrative costs and have not been separately identified. There are no unbudgeted expenditures expected to occur in the future.

Market Risk

The company does not use derivative instruments to alter the interest characteristics of its debt instruments. The aggregate fair value of the company's financial instruments approximates the carrying value at June 30, 2000.

Forward Looking Statements

This filing contains statements which, to the extent they are not recitations of historical fact, constitute "forward looking statements" under federal securities laws. All such statements are intended to be subject to the safe harbor protection provided by applicable securities laws. For discussions identifying some important factors that could cause actual VSE results to differ materially from those anticipated in the forward looking statements contained in this statement, see discussions contained in VSE's "Letter to Stockholders", "Narrative Description of Business", and "Notes to Consolidated Financial Statements" contained in VSE's Annual Report and Form 10-K for the fiscal year ended December 31, 1999 (Form 10-K) filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward looking statements, which reflect management's analysis only as of the date hereof. The company undertakes no obligation to publicly revise these forward looking statements to reflect events or circumstances that arise after the date hereof. Readers should carefully review the risk factors described in other documents the company files from time to time with the Securities and Exchange Commission, including subsequent Quarterly Reports on Form 10-Q and any Current Reports on Form 8-K filed by the company.

VSE CORPORATION AND SUBSIDIARIES

PART II. Other Information

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

None.

(b) Reports on Form 8-K.

None.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has omitted all other items contained in "Part II. Other Information" because such other items are not applicable or are not required if the answer is negative or because the information required to be reported therein has been previously reported.

VSE CORPORATION AND SUBSIDIARIES

SIGNATURES

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

/s/ C. S. WEBER

Date: July 27, 2000 ---------------------------------

C. S. Weber, Senior Vice President
and Chief Financial Officer

/s/ T. R. Loftus

Date: July 27, 2000 ---------------------------------

T. R. Loftus, Vice President and
Comptroller
(Principal Accounting Officer)

The financial information included in this report reflects all known adjustments normally determined or settled at year-end which are, in the opinion of management, necessary to a fair statement of the results for the interim periods. The accompanying notes to consolidated financial statements are an integral part of this report.

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