
Quicken: Deleted Data Has Hidden Traces

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When Quicken files become subject to legal discovery or a tax audit, providing Quicken files to opposing counsel or the IRS could result in sharing more data than expected. Quicken does not remove all data for an account upon account deletion. Furthermore, this data can be retrieved and reviewed.

Introduction

Quicken is the leading personal finance software package with more than 70% of the market share for retail personal finance software.¹ It was first released in 1984, and more than 20 versions have been released.

Quicken is used by 3 million small businesses² because it offers simple accounting entries—invoices and expenses—without the complexity of a full accounting system like QuickBooks. It is also used because of its online banking functionality and ability to download securities and other investment information. Some small business owners mix their personal and business account information in the same file. Additionally, accounts from different clients may reside in the same Quicken file. When accounts are mixed, an opportunity for the perfect legal storm is created since Quicken may not delete all data associated with an account. Instead, fragments of deleted data remain hidden and not obviously visible in Quicken.

Case 1: Deleted Account Data Found in Quicken .QSD file

<p>Quicken 2010 and newer</p> <ul style="list-style-type: none"> • QDF (primary file)
<p>Quicken 2006, 2007, 2008, and 2009</p> <ul style="list-style-type: none"> • QDF (primary file) • QEL • QPH • IDX
<p>Quicken 2005</p> <ul style="list-style-type: none"> • QDF (primary file) • QEL • QPH • IDX

Figure 1: Example of Quicken files by version.

Depending on the version, a Quicken file exists as one or more electronically stored files.³ (Figure 1) Each Quicken file has a primary file that stores a user’s account and financial data (a .QDF file) and a set of support files such as the .QPH file which stores the history of security prices.

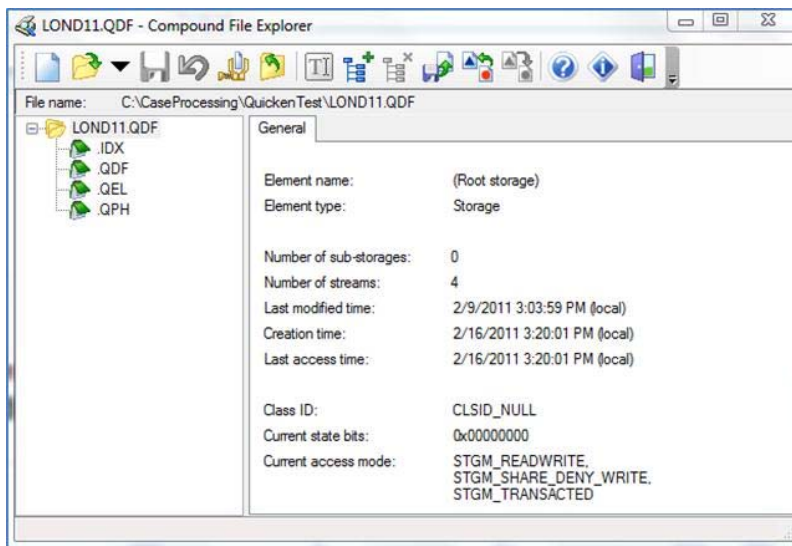


Figure 2: Inside view of compound file in Quicken versions 2010 or later.

Beginning with version Quicken 2010, users see a single .QDF file. This resulted from Quicken’s redesigned file structure where support files were stored within the .QDF file. The .QDF file acts as a container and stores data as a set of smaller related files.⁴ (Figure 2)

Supporting files from pre-2010 versions of Quicken are a potential repository of data associated with deleted accounts. These files can contain data for deleted Quicken accounts even when a

new Quicken file is created through the backup and restore of a prior Quicken file where accounts have been deleted. This scenario is illustrated in the following example using a Quicken 2000 file. Quicken 2000 consists of three files—the primary .QDF file and the .QSD and .QEL supporting files. The .QSD and .QEL files store online banking information for a Quicken account.

Demonstration

Account	Type	Description	Trans	Current Balance	Ending Balance	Checks
Additional Exp. Award	Bank		2	1,199.26	1,199.26	
Bell Savings	Bank	Test for Delete	4	1,500.00	1,500.00	
Bell Test Investment-Cash	Bank	Linked Checking Account	4	-28.00	-28.00	
Capital Eqpt. Award	Bank		3	-128.50	-128.50	
Exp. Mat. Serv. Award	Bank		25	4,307.95	4,307.95	
Indirect Costs Award	Bank		13	13,322.55	13,322.55	
Other Exp. Award	Bank		2	1,799.40	1,799.40	
Salary Award	Bank		31	9,174.80	9,174.80	
Staff Benefits Award	Bank		13	2,847.56	2,847.56	
Travel Award	Bank		4	120.32	120.32	
Bell Test Investme	Invest	QSD test investment	3	20,000.00	20,000.00	
				Balance Total :		54,115.34

Figure 3: Test account set-up.

1. A Quicken 2000 file that was pre-populated with sample account and transaction data was set up for evaluation.
 - a. A test investment account (“Bell Test Investment”) was set up in the sample file. The investment account was configured with fabricated bond (“Kivu Bond Fund”) and stock (“Pizza Pizza”) information and a linked checking account that had a \$28 deficit.
 - b. Bell Savings was set up as well, but is not linked to Bell Test Investment account. (Figure 3)

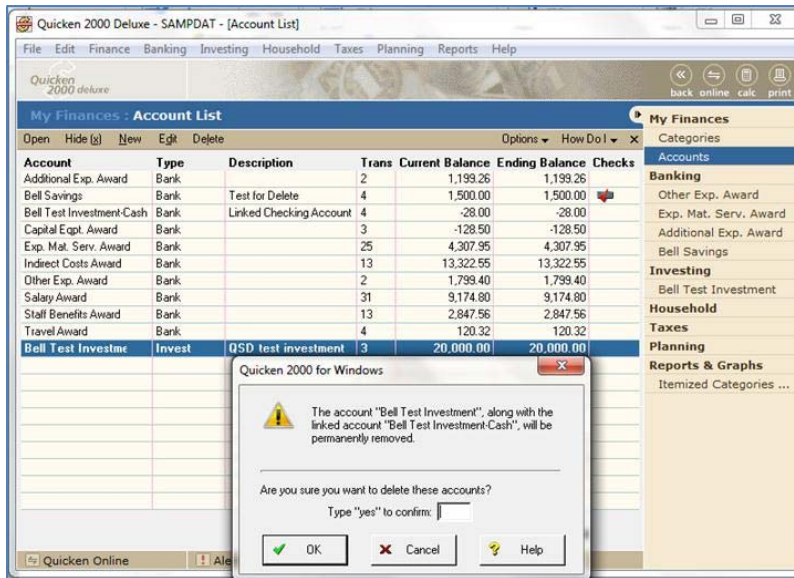


Figure 4: Deletion of test account.

2. A back-up copy was made to preserve the example file with test accounts. Next, the Bell Test Investment account and its linked checking account were deleted. (Figure 4)

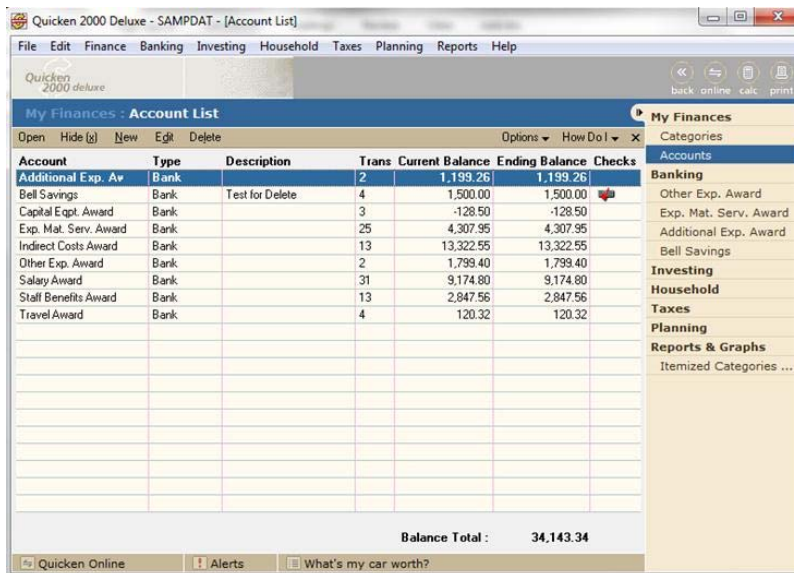


Figure 5: The Bell Test Investment is not present in the restore.

3. The example file was backed up after deletion and then a restore of the backup was completed to verify that the Bell Test Investment account was deleted. As illustrated in Figure 5, Bell Test Investment account and linked checking account appear to be deleted.

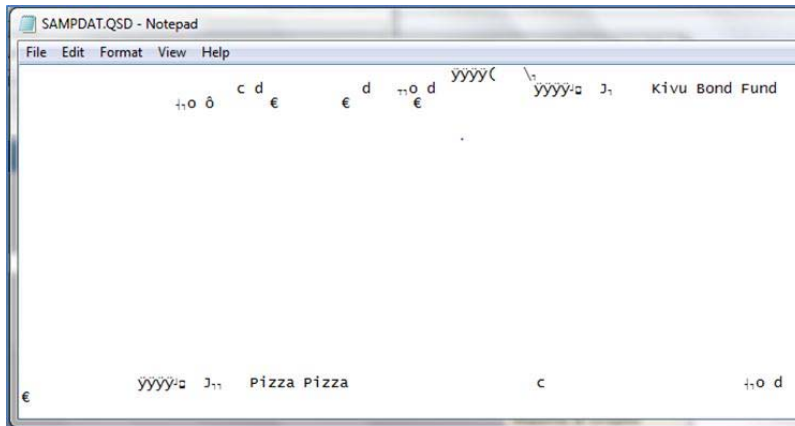


Figure 6: .QSD file with data related to deleted account.

4. Individual Quicken files were examined for evidence relating to the deleted Bell Test Investment account. The .QSD file was found to have names of the bond and stock that were set up in the Bell Test Investment account. The fragments are visible in Notepad software—a simple text editor available in Microsoft Windows. (Figure 6)

Conclusion

Data related to the deleted Bell Test Investment account remained in a supporting file and was transferred to a new file using the Quicken backup and restore process.

Case 2. Deleted Account Data Found in QIF File Export

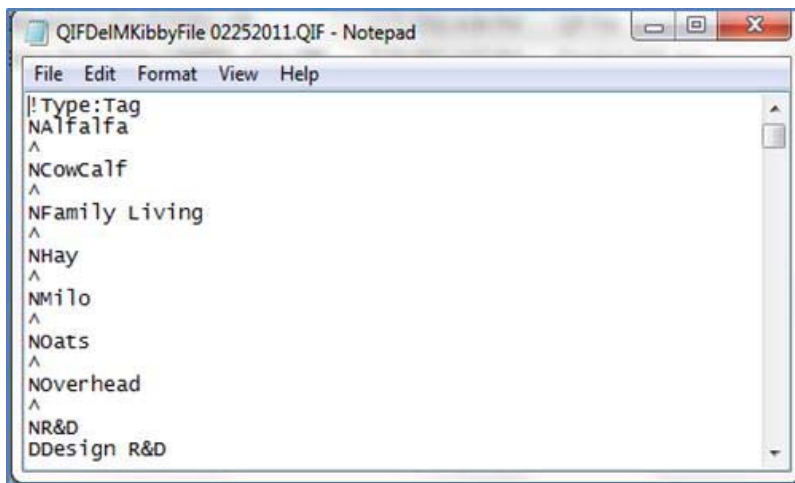


Figure 7: Example Quicken export to QIF file.

Quicken can import or export data through the Quicken Interchange Format (QIF).⁵ (Figure 7) QIF is a pre-defined file format that enables Quicken account data and transactions to be moved across different Quicken account registers or different applications. The QIF format was previously used by financial institutions to transmit financial information to Quicken users before the development of the proprietary Quicken Financial Exchange (QFX) file format.

.QIF files are stored as clear text (ASCII), and a QIF export makes it possible to locate data associated with a deleted account. This scenario is illustrated in the following example using a Quicken 2011 file.

Demonstration



Figure 8: Quicken 2011 original sample file.

1. A file with sample data was prepared. (Figure 8) Using Quicken 2011 Home & Business, a copy of the sample file was made by performing a backup and restore of the original sample file. The copy was modified to evaluate the effect of deleting accounts from a Quicken file.

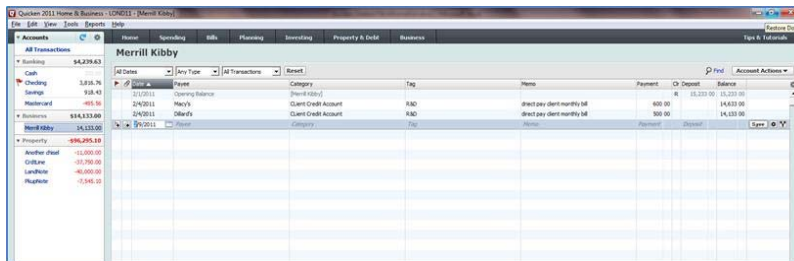


Figure 9: A business account for Merrill Kibby set up with two credit card payments.

2. A test business account (“Merrill Kibby”) was created and set up with two credit card accounts (“Dillard’s” and “Macy’s”). A payment of \$600 was made to the Macy’s card and \$500 to the Dillard’s card. (Figure 9) The Quicken file was backed up with this test account, and then the Merrill Kibby account was deleted.



Figure 10: A business account for Merrill Kibby set up with two credit card payments.

3. A backup and restore of the same Quicken file was performed to review the effect of deleting the Merrill Kibby account. Quicken indicates that the Merrill Kibby account and related transactions are deleted. (Figure 10)

4. Although Quicken does not indicate the presence of the Merrill Kibby business account, the file sizes associated with the Quicken files have not changed from their original size (about 2.5 megabytes). The lack of change in file size indicates that deleted data may exist even though Quicken does not display deleted accounts.

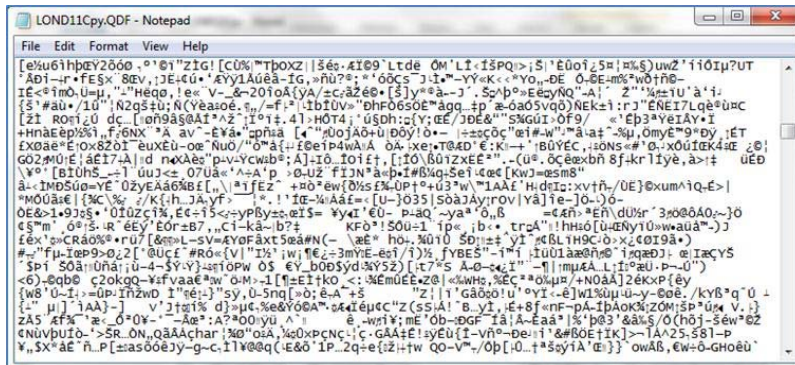


Figure 11: Quicken .QDF file opened in Notepad.

5. Note that text in the Quicken 2011 .QDF file cannot be viewed in Notepad like supporting files (e.g., .QSD and .QEL files) from pre-2010 Quicken versions. (Figure 11) Another approach is required to identify text from deleted files.

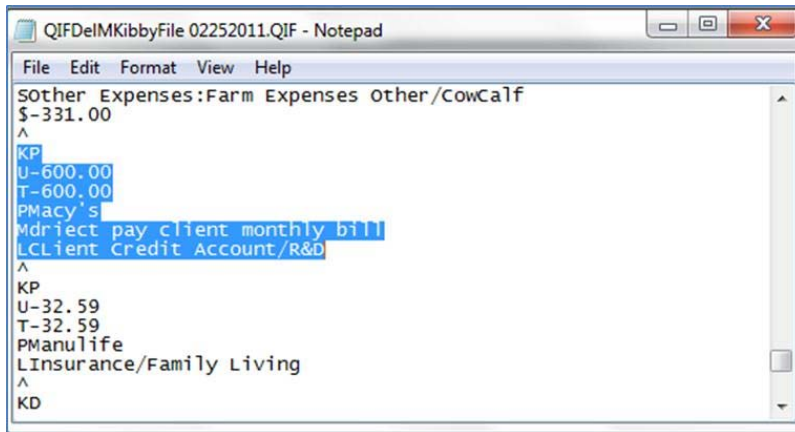


Figure 12: The Macy's transaction for Merrill Kibby displays in a QIF export.

6. To evaluate the presence of deleted data in the Quicken file, all transactional data for all accounts is exported using the .QIF format. Next, a search was conducted for the Merrill Kibby account and the Macy's credit card payment that was associated this account. The account name was not present but the Macy's credit card payment appeared toward the bottom of the .QIF file. (Figure 12)

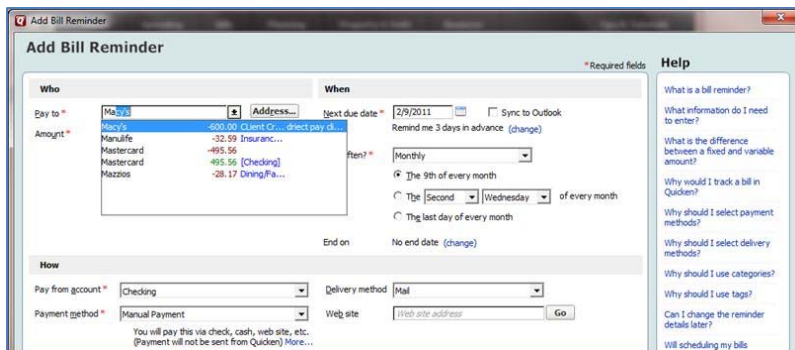


Figure 13: The Macy's transaction for Merrill Kibby displays in a QIF export.

7. The Macy's credit card payment in the .QIF export file can be imported into a new Quicken file. Furthermore, the Macy's payment is visible in the Bill Reminder tool. Macy's appears by typing in the first few letters into the Pay to field. (Figure 13)

Conclusion

Transactional data for a deleted account can be located by exporting data from a Quicken file. The transactional data can also be imported and viewed in a new Quicken file.

Summary

There is no guarantee that Quicken permanently deletes all data related to deleted accounts. When a Quicken file is part of legal discovery or a tax audit, protocols for review and production should be in place to address the possibility that residual account or transactional data exists for a

deleted account. Furthermore, protocols should address the case that this data may carry over to a new Quicken account through the backup and restore process or the .QIF export format.

References

1. Intuit reports many indicators regarding Quicken's market share penetration on its partner connections Web site. (Source: <http://fi.intuit.com/whyconnect>)
2. Tomkins, Benjamin. "A Better Way To Keep The Books." Forbes.com. February 22, 2009. (Source: www.forbes.com/.../intuit-microsoft-saas-entrepreneurs-technology-outrig...)
3. A Quicken user file may be composed of one to five computer files. (Source: <http://quicken.intuit.com/support/articles/data-file-management/data/145...>)
4. A compound file combines many files into a single file. The combined files may represent different sources of information such as images, Microsoft Office documents, data files, etc.
5. QIF was originally created for the communication of financial information to consumers. (Source: http://web.intuit.com/support/quicken/docs/d_qif.html)

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