

BLACKROCK MUNIYIELD CALIFORNIA QUALITY FUND, INC
Form N-Q
December 22, 2010
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-06692

Name of Fund: BlackRock MuniYield California Quality Fund, Inc. (MCA)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock MuniYield California Quality Fund, Inc., 55 East 52nd Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 07/31/2011

Date of reporting period: 10/31/2010

Item 1 – Schedule of Investments

Schedule of Investments October 31, 2010 (Unaudited)

BlackRock MuniYield California Quality Fund, Inc. (MCA)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|------------------|
| California 91.6% | | |
| Corporate 0.9% | | |
| City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34 | \$ 2,435 | \$ 2,747,021 |
| University of California, RB, Limited Project, Series B (AGM), 5.00%, 5/15/33 | 1,760 | 1,822,814 |
| | | <u>4,569,835</u> |
| County/City/Special District/School District 47.0% | | |
| Arcadia Unified School District California, GO, Election of 2006, Series A (AGM), 5.00%, 8/01/37 | 8,000 | 8,246,240 |
| Bay Area Governments Association, Refunding RB, California Redevelopment Agency Pool, Series A (AGM), 6.00%, 12/15/24 | 255 | 256,517 |
| Brentwood Infrastructure Financing Authority California, Special Assessment Bonds, Refunding, Series A (AGM), 5.20%, 9/02/29 | 3,980 | 4,041,849 |
| Chino Valley Unified School District, GO, Election of 2002, Series C (NPFGC), 5.25%, 8/01/30 | 3,000 | 3,093,840 |
| City & County of San Francisco California, COP, Refunding, Series A, 5.00%, 10/01/28 | 5,895 | 6,269,332 |
| City of Riverside California, COP (AMBAC), 5.00%, 9/01/28 | 3,000 | 3,042,570 |
| City of San Jose California, GO, Libraries, Parks, and Public Safety Project (NPFGC), 5.00%, 9/01/27 | 7,910 | 8,401,923 |
| County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35 | 2,000 | 2,245,840 |
| Fairfield-Suisun Unified School District California, GO, Election of 2002 (NPFGC), 5.50%, 8/01/28 | 2,500 | 2,701,100 |
| Fontana Unified School District California, GO, Series A (AGM), 5.25%, 8/01/31 | 3,000 | 3,208,710 |
| Fremont Unified School District Alameda County California, GO, Series A (NPFGC), 5.50%, 8/01/26 | 10,755 | 11,433,103 |
| Fresno Joint Powers Financing Authority California, RB, Series A (AGM), 5.75%, 6/01/26 | 3,295 | 3,369,467 |

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| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| California (continued) | | |
| County/City/Special District/School District (continued) | | |
| Glendora Unified School District California, GO, Election of 2005, Series A (NPFGC): | | |
| 5.00%, 8/01/27 | \$ 1,350 | \$ 1,443,042 |
| 5.25%, 8/01/30 | 2,730 | 2,916,732 |
| Los Angeles Community Redevelopment Agency California, RB, Bunker Hill Project, Series A (AGM), 5.00%, 12/01/27 | 10,000 | 10,427,100 |
| Los Angeles County Metropolitan Transportation Authority, Refunding RB, Proposition A, First Tier, Senior Series A (AMBAC): | | |
| 5.00%, 7/01/27 | 5,240 | 5,571,168 |
| 5.00%, 7/01/35 | 6,825 | 7,089,264 |
| Los Angeles Municipal Improvement Corp., Refunding RB, Real Property, Series B (AGC), 5.50%, 4/01/39 | 1,515 | 1,616,672 |
| Los Angeles Unified School District California, GO, Election of 2002, Series C (AGM), 5.00%, 7/01/32 | 10,000 | 10,454,800 |
| Los Gatos Union School District California, GO, Election of 2001, Series C (NPFGC), 5.13%, 8/01/32 | 1,075 | 1,136,522 |
| Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35 | 11,000 | 11,616,550 |
| Murrieta Valley Unified School District Public Financing Authority, Special Tax Bonds, Refunding, Series A (AGC), 5.13%, 9/01/26 | 8,000 | 8,541,360 |
| Orange County Water District, COP, Refunding, 5.25%, 8/15/34 | 9,045 | 9,785,514 |
| Orchard School District California, GO, Election of 2001, Series A (AGC), 5.00%, 8/01/34 | 7,490 | 7,891,015 |
| Oxnard Union High School District California, GO, Refunding, Series A (NPFGC), 6.20%, 8/01/30 | 9,645 | 10,495,496 |
| Pittsburg Unified School District, GO, Election of 2006, Series B (AGM): | | |
| 5.50%, 8/01/34 | 2,000 | 2,170,440 |
| 5.63%, 8/01/39 | 4,500 | 4,901,760 |
| Port of Oakland, Refunding RB, Series M, AMT (NPFGC), 5.38%, 11/01/27 | 16,930 | 17,159,232 |

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

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| | |
|-------|---|
| AGC | Assured Guaranty Corp. |
| AGM | Assured Guaranty Municipal Corp. |
| AMBAC | American Municipal Bond Assurance Corp. |
| AMT | Alternative Minimum Tax (subject to) |
| BHAC | Berkshire Hathaway Assurance Corp. |
| COP | Certificates of Participation |
| GO | General Obligation Bonds |
| NPFGC | National Public Finance Guarantee Corp. |
| RB | Revenue Bonds |

BLACKROCK MUNIYIELD CALIFORNIA QUALITY FUND, INC.

OCTOBER 31, 2010

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Schedule of Investments (continued)

BlackRock MuniYield California Quality Fund, Inc. (MCA)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| California (continued) | | |
| County/City/Special District/School District (concluded) | | |
| Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33 | \$ 5,000 | \$ 5,293,900 |
| Riverside Unified School District California, GO, Series C (AGC), 5.00%, 8/01/32 | 2,000 | 2,082,000 |
| Sacramento Area Flood Control Agency, Special Assessment Bonds, Refunding, Consolidated, Capital Assessment District, Series A (NPFGC), 5.00%, 10/01/32 | 4,350 | 4,549,056 |
| Saddleback Valley Unified School District California, GO (AGM), 5.00%, 8/01/29 | 2,565 | 2,699,432 |
| San Bernardino City Unified School District California, GO, Series A (AGM), 5.00%, 8/01/28 | 5,000 | 5,204,300 |
| San Diego Community College District California, GO, Election of 2006 (AGM), 5.00%, 8/01/32 | 7,090 | 7,458,467 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/38 | 1,115 | 1,163,882 |
| San Jose Redevelopment Agency California, Tax Allocation Bonds, Housing Set Aside Merged Area, Series E, AMT (NPFGC), 5.85%, 8/01/27 | 7,300 | 7,315,841 |
| San Juan Unified School District, GO, Election of 2002 (AGM), 5.00%, 8/01/34 | 6,475 | 6,764,368 |
| San Mateo County Transportation District California, Refunding RB, Series A (NPFGC), 5.00%, 6/01/29 | 4,350 | 4,580,898 |
| Santa Rosa High School District California, GO, Election of 2002 (NPFGC), 5.00%, 8/01/28 | 2,500 | 2,540,950 |
| Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/38 | 5,600 | 6,283,368 |
| South Tahoe Joint Powers Financing Authority, RB, South Tahoe Redevelopment Project Area No. 1, Series A (AGM), 5.00%, 10/01/29 | 1,645 | 1,674,215 |
| Ventura County Community College District, GO, Refunding, Series A | 3,395 | 3,583,660 |

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| | | |
|---|-------|--------------------|
| (NPFGC), 5.00%, 8/01/27 West Contra Costa Unified School District California, GO, Election of 2002, Series B (AGM), 5.00%, 8/01/32 | 6,690 | 6,769,076 |
| Westminster Redevelopment Agency California, Tax Allocation Bonds, Subordinate, Commercial Redevelopment Project No. 1 (AGC), 6.25%, 11/01/39 | 4,300 | 4,964,737 |
| | | <u>242,455,308</u> |

| Municipal Bonds | Par (000) | Value |
|-------------------------------|--------------|-------|
| California (continued) | | |

| | | |
|--|-----------|-------------------|
| Education 7.6% | | |
| California State University Revenue Systemwide, Series C, 5.00%, 11/01/35 | \$ 20,000 | \$ 20,497,800 |
| Riverside Community College District, GO, Election of 2004, Series C (AGM), 5.00%, 8/01/32 | 8,750 | 9,136,487 |
| University of California, RB, Limited Project, Series D: (AGM), 5.00%, 5/15/37 | 2,775 | 2,887,943 |
| (NPFGC), 5.00%, 5/15/37 | 5,390 | 5,593,796 |
| (NPFGC), 5.00%, 5/15/41 | 1,240 | 1,292,626 |
| | | <u>39,408,652</u> |

| | | |
|---|-------|-------------------|
| Health 3.6% | | |
| California Health Facilities Financing Authority, Refunding RB, Catholic Healthcare West, Series A: 6.00%, 7/01/34 | 2,130 | 2,333,138 |
| 6.00%, 7/01/39 | 5,500 | 5,987,685 |
| California Statewide Communities Development Authority, RB, Health Facility, Memorial Health Services, Series A, 6.00%, 10/01/23 | 3,685 | 3,886,533 |
| California Statewide Communities Development Authority, Refunding RB, Catholic Healthcare West, Series D (BHAC), 5.50%, 7/01/31 | 1,025 | 1,097,467 |
| City of Torrance California, RB, Torrance Memorial Medical Center, Series A, 5.00%, 9/01/40 | 5,350 | 5,292,327 |
| | | <u>18,597,150</u> |

| | | |
|---|-----|---------|
| Housing 0.1% | | |
| California Rural Home Mortgage Finance Authority, RB, AMT, Mortgage-Backed Securities Program (Ginnie Mae): Series A, 6.35%, 12/01/29 | 100 | 110,339 |

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| | | |
|---|-----|---------|
| Series B, 6.25%, 12/01/31 | 70 | 70,772 |
| County of San Bernardino California, Refunding RB, Home Mortgage- Backed Securities, Series A-1, AMT (Ginnie Mae), 6.25%, 12/01/31 | 140 | 147,563 |
| | | <hr/> |
| | | 328,674 |

State 2.8%

| | | |
|---|-------|------------|
| California State Public Works Board, RB, Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34 | 3,670 | 4,044,450 |
| California State University, Refunding RB, Systemwide, Series C (NPFGC), 5.00%, 11/01/38 | 5,690 | 5,808,580 |
| State of California, GO, Various Purpose, 6.00%, 3/01/33 | 4,000 | 4,594,560 |
| | | <hr/> |
| | | 14,447,590 |

Transportation 11.4%

| | | |
|--|-------|-----------|
| City of San Jose California, RB, Series D (NPFGC), 5.00%, 3/01/28 | 4,575 | 4,689,101 |
|--|-------|-----------|

Schedule of Investments (continued)

BlackRock MuniYield California Quality Fund, Inc. (MCA)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| California (continued) | | |
| Transportation (concluded) | | |
| City of San Jose California, Refunding RB, Series A, AMT (BHAC), 5.50%, 3/01/23 | \$ 1,100 | \$ 1,168,607 |
| County of Orange California, RB, Series B, 5.75%, 7/01/34 | 5,000 | 5,480,050 |
| County of Sacramento California, RB: Senior-Series B, AMT (AGM), 5.25%, 7/01/33 | 7,500 | 7,694,625 |
| Subordinated and PFC/Grant, Series C (AGC), 5.75%, 7/01/39 | 5,455 | 5,950,150 |
| Port of Oakland, RB, Series K, AMT (NPFGC), 5.75%, 11/01/29 | 11,405 | 11,412,869 |
| San Francisco City & County Airports Commission, RB: Series E, 6.00%, 5/01/39 | 9,650 | 10,842,643 |
| Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.10%, 1/01/20 | 1,000 | 1,001,990 |
| Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.13%, 1/01/27 | 985 | 986,212 |
| San Francisco City & County Airports Commission, Refunding RB, Second Series 34E, AMT (AGM): 5.75%, 5/01/24 | 5,000 | 5,645,450 |
| 5.75%, 5/01/25 | 3,500 | 3,932,320 |
| | | 58,804,017 |
| Utilities 18.2% | | |
| City of Glendale California, RB (NPFGC), 5.00%, 2/01/32 | 4,390 | 4,447,553 |
| City of Los Angeles California, Refunding RB, Sub-Series A, 5.00%, 6/01/32 | 3,000 | 3,224,490 |
| City of Santa Clara California, RB, Sub- Series A (NPFGC), 5.00%, 7/01/28 | 5,500 | 5,646,190 |
| Contra Costa Water District, Refunding RB, Series L (AGM), 5.00%, 10/01/32 | 4,135 | 4,369,082 |
| East Bay Municipal Utility District, RB, Series A (NPFGC), 5.00%, 6/01/37 | 6,525 | 6,891,770 |
| East Bay Municipal Utility District, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/33 | 4,125 | 4,371,510 |
| East Valley Water District Financing Authority, Refunding RB, 5.00%, 10/01/40 | 4,085 | 4,260,165 |
| | 1,500 | 1,522,965 |

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| | | |
|--|--------|------------|
| Fortuna Public Financing Authority, RB (AGM), 5.00%, 10/01/36 | | |
| Los Angeles County Sanitation Districts Financing Authority, Refunding RB, Capital Project 14 (BHAC), 5.00%, 10/01/34 | 7,915 | 8,193,687 |
| Los Angeles Department of Water & Power, RB, Power System, Sub-Series A-1 (AGM), 5.00%, 7/01/37 | 13,525 | 14,196,246 |
| Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC), 5.00%, 10/01/33 | 7,175 | 7,396,779 |
| Oxnard Financing Authority, RB, Redwood Trunk Sewer & Headworks, Series A (NPFGC), 5.25%, 6/01/34 | 13,000 | 13,410,020 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

California (concluded)

Utilities (concluded)

| | | |
|---|----------|--------------|
| Sacramento Regional County Sanitation District, RB, Sacramento Regional County Sanitation (NPFGC), 5.00%, 12/01/27 | \$ 7,070 | \$ 7,555,780 |
| San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/31 | 3,000 | 3,154,110 |
| Turlock Public Financing Authority California, RB, Series A (NPFGC), 5.00%, 9/15/33 | 3,000 | 3,053,700 |
| Vallecitos Water District California, COP, Refunding, Series A (AGM), 5.00%, 7/01/27 | 2,000 | 2,095,700 |

93,789,747

Total Municipal Bonds 91.6% 472,400,973

**Municipal Bonds Transferred to Tender
Option Bond Trusts (a)**

California 71.8%

Corporate 5.5%

| | | |
|---|--------|------------|
| San Francisco Bay Area Rapid Transit District, Refunding RB, Series A (NPFGC), 5.00%, 7/01/30 | 19,630 | 20,714,754 |
| University of California, RB, Series L, 5.00%, 5/15/40 | 7,398 | 7,716,398 |
| | | 28,431,152 |

County/City/Special District/School District 38.5%

| | | |
|--|--------|------------|
| Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/37 | 12,150 | 12,499,677 |
|--|--------|------------|

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| | | |
|--|--------|------------|
| Fremont Unified School District Alameda County California, GO, Election of 2002, Series B (AGM), 5.00%, 8/01/30 | 15,997 | 16,619,400 |
| Lodi Unified School District California, GO, Election of 2002 (AGM), 5.00%, 8/01/29 | 10,260 | 10,481,513 |
| Los Angeles Community College District California, GO: Election of 2001, Series A (AGM), 5.00%, 8/01/32 | 12,000 | 12,587,640 |
| Election of 2001, Series A (NPFGC), 5.00%, 8/01/32 | 26,438 | 27,700,450 |
| Election of 2003, Series E (AGM), 5.00%, 8/01/31 | 7,497 | 7,851,612 |
| Election of 2008, Series A, 6.00%, 8/01/33 | 9,596 | 11,016,158 |
| Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34 | 5,000 | 5,188,500 |
| Ohlone Community College District, GO, Ohlone, Series B (AGM), 5.00%, 8/01/30 | 19,998 | 20,775,860 |
| Peralta Community College District, GO, Series A (NPFGC), 5.00%, 8/01/31 | 24,130 | 25,231,776 |

BLACKROCK MUNIYIELD CALIFORNIA QUALITY FUND, INC.

OCTOBER 31, 2010

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Schedule of Investments (continued)

BlackRock MuniYield California Quality Fund, Inc. (MCA)
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender Option Bond Trusts (a) | Par (000) | Value |
|--|--------------|---------------|
| California (continued) | | |
| County/City/Special District/School District (concluded) | | |
| Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/30 | \$ 10,000 | \$ 10,425,400 |
| San Bernardino Community College District California, GO, Election of 2002, Series C (AGM), 5.00%, 8/01/31 | 7,550 | 7,875,103 |
| San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/30 | 7,350 | 7,755,059 |
| San Francisco Bay Area Transit Financing Authority, Refunding RB, Series A (NPFGC), 5.00%, 7/01/34 | 10,497 | 10,944,397 |
| San Jose Financing Authority, Refunding RB, Civic Center Project, Series B (AMBAC), 5.00%, 6/01/32 | 11,400 | 11,472,048 |
| | | 198,424,593 |
| Education 5.1% | | |
| California State University, RB, Systemwide, Series A (AGM), 5.00%, 11/01/39 | 4,860 | 5,010,174 |
| University of California, RB: Limited Project, Series D (AGM), 5.00%, 5/15/41 | 8,000 | 8,339,520 |
| Series O, 5.75%, 5/15/34 | 11,190 | 12,760,405 |
| | | 26,110,099 |
| Utilities 22.7% | | |
| Anaheim Public Financing Authority California, RB, Electric System Distribution Facilities, Series A (AGM), 5.00%, 10/01/31 | 3,568 | 3,593,984 |
| City of Napa California, RB (AMBAC), 5.00%, 5/01/35 | 9,070 | 9,432,165 |
| East Bay Municipal Utility District, RB, Sub-Series A (NPFGC), 5.00%, 6/01/35 | 15,000 | 15,606,600 |
| East Bay Municipal Utility District, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/37 | 7,990 | 8,420,102 |
| Los Angeles Department of Water & Power, RB: | | |

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| | | |
|--|----------------------|--------------|
| Power System, Sub-Series A-1 (AGM), 5.00%, 7/01/31 | 5,007 | 5,244,919 |
| Power System, Sub-Series A-1 (AMBAC), 5.00%, 7/01/37 | 5,029 | 5,278,892 |
| System, Sub-Series A-2 (AGM), 5.00%, 7/01/35 | 7,500 | 7,757,550 |
| Los Angeles Department of Water & Power, Refunding RB, Power System, Sub-Series A-2 (NPFGC), 5.00%, 7/01/27 | 16,000 | 16,988,320 |
| Metropolitan Water District of Southern California, RB, Series A, 5.00%, 7/01/37 | 15,000 | 15,879,000 |
| Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34 | 9,277 | 9,694,445 |
| Municipal Bonds Transferred to Tender Option Bond Trusts (a) | Par (000) | Value |
| California (concluded) | | |
| Utilities (concluded) | | |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 | \$ 8,510 | \$ 8,972,433 |
| San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/31 | 10,000 | 10,513,700 |
| | | 117,382,110 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 71.8% | | 370,347,954 |
| Total Long-Term Investments (Cost \$816,295,406) 163.4% | | 842,748,927 |

| Short-Term Securities | Shares | |
|--|------------|----------------|
| BIF California Municipal Money Fund, 0.04% (b)(c) | 13,615,499 | 13,615,499 |
| Total Short-Term Securities (Cost \$13,615,499) 2.6% | | 13,615,499 |
| Total Investments (Cost \$829,910,905*) 166.0% | | 856,364,426 |
| Other Assets Less Liabilities 1.8% | | 9,510,117 |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (35.5)% | | (183,366,237) |
| Preferred Shares, at Redemption Value (32.3)% | | (166,537,650) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 515,970,656 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 647,119,685 |
| Gross unrealized appreciation | \$ 27,342,796 |
| Gross unrealized depreciation | (1,300,476) |
| Net unrealized appreciation | \$ 26,042,320 |

- (a) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction.
- (b) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at July 31, 2010 | Net Activity | Shares Held at October 31, 2010 | Income |
|---|---------------------------------------|-----------------|--|----------|
| BIF California Municipal Money Fund | 39,049,939 | (25,434,440) | 13,615,499 | \$ 1,848 |

- (c) Represents the current yield as of report date.

Schedule of Investments (concluded)

BlackRock MuniYield California Quality Fund, Inc. (MCA)

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Fair Value Measurements - Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of October 31, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|---------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Long-Term Investments ¹ | | \$ 842,748,927 | | \$ 842,748,927 |
| Short-Term Securities | \$ 13,615,499 | | | 13,615,499 |
| Total | \$ 13,615,499 | \$ 842,748,927 | | \$ 856,364,426 |

¹ See above Schedule of Investments for values in each sector.

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Item 2 – Controls and Procedures

2(a) – The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

2(b) – There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 – Exhibits

Certifications – Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock MuniYield California Quality Fund, Inc.

By: /s/ Anne F. Ackerley
Anne F. Ackerley
Chief Executive Officer of
BlackRock MuniYield California Quality Fund, Inc.

Date: December 22, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Anne F. Ackerley
Anne F. Ackerley
Chief Executive Officer (principal executive officer) of
BlackRock MuniYield California Quality Fund, Inc.

Date: December 22, 2010

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock MuniYield California Quality Fund, Inc.

Date: December 22, 2010

