

BLACKROCK MUNIYIELD CALIFORNIA QUALITY FUND, INC
Form N-Q
December 22, 2011
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: John M. Perlowski, 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: 07/31/2012

Date of reporting period: 10/31/2011

Item 1 – Schedule of Investments

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Schedule of Investments October 31, 2011 (Unaudited)

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

| | Par (000) | Value |
|--|----------------------|--------------|
| Municipal Bonds | | |
| California 92.1% | | |
| Corporate 0.5% | | |
| City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34 | \$ 2,435 | \$ 2,687,461 |
| County/City/Special District/School District 35.3% | | |
| Bay Area Governments Association, Refunding RB, California Redevelopment Agency Pool, Series A (AGM), 6.00%, 12/15/24 | 255 | 256,433 |
| California State Public Works Board, RB, Various Capital Projects, Sub-Series I-1, 6.13%, 11/01/29 | 1,945 | 2,125,340 |
| County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35 | 2,000 | 2,224,180 |
| Fairfield-Suisun Unified School District California, GO, Election 2002 (NPFGC), 5.50%, 8/01/28 | 2,500 | 2,657,550 |
| Fremont Unified School District Alameda County California, GO, Series A (NPFGC), 5.50%, 8/01/26 | 10,755 | 11,140,782 |
| Fresno Joint Powers Financing Authority California, RB, Series A (AGM), 5.75%, 6/01/26 | 3,295 | 3,309,992 |
| Grossmont Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/40 | 2,000 | 2,255,660 |
| Grossmont Union High School District, GO, Election of 2008, Series C, 5.50%, 8/01/33 | 1,855 | 2,074,521 |
| Lodi Unified School District, GO, Election of 2002 (AGM), 5.00%, 8/01/29 | 10,260 | 10,464,174 |
| Los Angeles Community Redevelopment Agency California, RB, Bunker Hill Project, Series A (AGM), 5.00%, 12/01/27 | 10,000 | 10,339,800 |
| Los Angeles County Metropolitan Transportation Authority, Refunding RB, Proposition A, First Tier, Senior Series A (AMBAC): 5.00%, 7/01/27 | 5,240 | 5,517,248 |
| 5.00%, 7/01/35 | 6,825 | 7,036,439 |
| Los Angeles Municipal Improvement Corp., Refunding RB, Real Property, Series B (AGC), 5.50%, 4/01/39 | 1,515 | 1,573,752 |
| | Par (000) | Value |
| Municipal Bonds | | |
| California (continued) | | |
| County/City/Special District/School District (continued) | | |

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| | | | | |
|---|----|-------|----|------------|
| Ohlone Community College District, GO, Election of 2010, Series A, 5.25%, 8/01/41 | \$ | 7,140 | \$ | 7,610,597 |
| Orange County Sanitation District, COP, Series A, 5.00%, 2/01/35 | | 2,500 | | 2,649,375 |
| Orange County Water District, COP, Refunding, 5.25%, 8/15/34 | | 9,045 | | 9,959,811 |
| Orchard School District California, GO, Election of 2001, Series A (AGC), 5.00%, 8/01/34 | | 7,490 | | 7,979,322 |
| Oxnard Union High School District California, GO, Refunding, Series A (NPFGC), 6.20%, 8/01/30 | | 9,645 | | 10,373,969 |
| Pittsburg Unified School District, GO, Election of 2006, Series B (AGM): 5.50%, 8/01/34 | | 2,000 | | 2,170,880 |
| 5.63%, 8/01/39 | | 4,500 | | 4,892,490 |
| Port of Oakland, Refunding RB, Series M, AMT (NPFGC), 5.38%, 11/01/27 | | 8,000 | | 8,032,800 |
| Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33 | | 5,000 | | 5,287,350 |
| Sacramento Area Flood Control Agency, Special Assessment Bonds, Refunding, Consolidated, Capital Assessment District, Series A (NPFGC), 5.00%, 10/01/32 | | 4,350 | | 4,532,787 |
| San Diego Community College District California, GO, Election of 2006 (AGM), 5.00%, 8/01/32 | | 7,115 | | 7,533,006 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/38 | | 4,895 | | 5,090,311 |
| San Jose Financing Authority, RB, Convention Center Expansion & Renovation Project: 5.75%, 5/01/36 | | 2,570 | | 2,679,379 |
| 5.75%, 5/01/42 | | 4,500 | | 4,840,875 |
| San Juan Unified School District, GO, Election of 2002 (AGM), 5.00%, 8/01/34 | | 6,475 | | 6,787,743 |
| San Leandro Unified School District California, GO, Election of 2010, Series A, 5.75%, 8/01/41 | | 3,000 | | 3,295,590 |
| Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/38 | | 5,600 | | 6,092,128 |

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:

| | |
|-------|---|
| 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 |

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| | |
|-------|---|
| FGIC | Financial Guaranty Insurance Co. |
| FSA | Financial Security Assurance Inc. |
| GO | General Obligation Bonds |
| NPFGC | National Public Finance Guarantee Corp. |
| RB | Revenue Bonds |

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| California (continued) | | |
| County/City/Special District/School District (concluded): | | |
| Walnut Valley Unified School District, GO, Election of 2007, Series B, 5.75%, 8/01/41 | \$ 7,680 | \$ 8,436,710 |
| West Contra Costa Unified School District California, GO, Election of 2002, Series B (AGM), 5.00%, 8/01/32 | 6,690 | 6,723,249 |
| Westminster Redevelopment Agency California, Tax Allocation Bonds, Subordinate, Commercial Redevelopment Project No. 1 (AGC), 6.25%, 11/01/39 | 4,300 | 4,946,333 |
| | | 180,890,576 |
| Education 7.6% | | |
| Anaheim City School District California, GO, Election of 2010 (AGM), 6.25%, 8/01/40 | 3,750 | 4,291,725 |
| Belmont Redwood Shores School District California, GO, Election of 2010, Series A, 5.00%, 8/01/41 | 3,300 | 3,423,552 |
| California State Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38 | 4,220 | 4,559,668 |
| Gavilan Joint Community College District, GO, Election of 2004, Series D: 5.50%, 8/01/31 | 2,165 | 2,424,930 |
| 5.75%, 8/01/35 | 8,400 | 9,460,920 |
| Riverside Community College District, GO, Election of 2004, Series C (AGM), 5.00%, 8/01/32 | 8,750 | 9,081,100 |
| University of California, RB, Limited Project, Series D (NPFGC), 5.00%, 5/15/37 | 5,500 | 5,679,630 |
| | | 38,921,525 |
| Health 11.0% | | |
| ABAG Finance Authority for Nonprofit Corps, Refunding RB, Sharp Healthcare, Series A, 6.00%, 8/01/30 | 2,250 | 2,438,010 |
| California Health Facilities Financing Authority, RB: Cedars-Sinai Medical Center, 5.00%, 8/15/34 | 2,550 | 2,515,677 |
| Providence Health Services, Series B, 5.50%, 10/01/39 | 4,090 | 4,290,287 |
| Sutter Health, Series A, 5.25%, 11/15/46 | 2,000 | 1,996,120 |

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| | | |
|---|-------|-----------|
| California Health Facilities Financing Authority, Refunding RB: | | |
| Catholic Healthcare West, Series A, 6.00%, 7/01/34 | 2,130 | 2,292,178 |
| Catholic Healthcare West, Series A, 6.00%, 7/01/39 | 5,500 | 5,885,990 |

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

| | | |
|--|----------|--------------|
| California Health Facilities Financing Authority, Refunding RB (concluded): | | |
| Sutter Health, Series A, 5.00%, 11/15/42 | \$ 3,500 | \$ 3,429,650 |
| Sutter Health, Series B, 6.00%, 8/15/42 | 7,715 | 8,412,282 |
| California Statewide Communities Development Authority, RB: | | |
| Health Facility, Memorial Health Services, Series A, 6.00%, 10/01/23 | 3,685 | 3,843,897 |
| Kaiser Permanente, Series B, 5.25%, 3/01/45 | 3,800 | 3,806,992 |
| Sutter Health, Series A, 6.00%, 8/15/42 | 4,050 | 4,416,039 |
| California Statewide Communities Development Authority, Refunding RB: | | |
| Catholic Healthcare West, Series D (BHAC), 5.50%, 7/01/31 | 865 | 901,633 |
| Trinity Health Credit Group, 5.00%, 12/01/41 | 10,000 | 9,938,000 |
| City of Newport Beach California, RB, Hoag Memorial Hospital Presbyterian, 6.00%, 12/01/40 | 1,820 | 2,039,255 |
| | | 56,206,010 |

Housing 0.1%

| | | |
|---|-----|---------|
| California Rural Home Mortgage Finance Authority, RB, AMT, Mortgage-Backed Securities Program, AMT (Ginnie Mae): | | |
| Series A, 6.35%, 12/01/29 | 80 | 82,368 |
| Series B, 6.25%, 12/01/31 | 55 | 55,598 |
| County of San Bernardino California, Refunding RB, Home Mortgage-Backed Securities, Series A-1, AMT (Ginnie Mae), 6.25%, 12/01/31 | 110 | 116,433 |
| | | 254,399 |

State 3.1%

| | | |
|--|-------|------------|
| California State Public Works Board, RB, Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34 | 3,670 | 4,045,661 |
| State of California, GO, Various Purpose: | | |
| 6.00%, 3/01/33 | 5,000 | 5,627,000 |
| 6.00%, 4/01/38 | 2,000 | 2,213,880 |
| 6.00%, 11/01/39 | 3,375 | 3,757,523 |
| | | 15,644,064 |

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Transportation 12.6%

City of San Jose California, RB:

Series A-1, AMT, 6.25%,

3/01/34

1,400

1,512,868

County of Orange California, RB,

Series B, 5.75%, 7/01/34

5,000

5,426,250

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| California (continued) | | |
| Transportation (concluded) | | |
| County of Sacramento California, RB: Senior-Series B, AMT (AGM), 5.25%, 7/01/33 | \$ 7,500 | \$ 7,642,950 |
| Subordinated and Passenger Facility Charges/Grant, Series C (AGC), 5.75%, 7/01/39 | 5,455 | 5,792,010 |
| Los Angeles Department of Airports, Refunding RB, Series A, 5.25%, 5/15/29 | 3,760 | 4,048,016 |
| Los Angeles Harbor Department, RB, Series B: 5.25%, 8/01/39 | 2,480 | 2,664,165 |
| 5.25%, 8/01/34 | 5,530 | 5,982,575 |
| San Diego County Regional Airport Authority, RB, Series B, 5.00%, 7/01/40 | 6,350 | 6,456,807 |
| San Francisco City & County Airports Commission, RB: Series E, 6.00%, 5/01/39 | 9,650 | 10,731,379 |
| Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.10%, 1/01/20 | 1,000 | 1,002,010 |
| Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.13%, 1/01/27 | 985 | 986,221 |
| San Francisco City & County Airports Commission, Refunding RB, Second Series 34E, AMT (AGM): 5.75%, 5/01/24 | 5,000 | 5,479,700 |
| 5.75%, 5/01/25 | 3,500 | 3,783,080 |
| San Joaquin County Transportation Authority, RB, Limited Tax, Series A, 6.00%, 3/01/36 | 2,400 | 2,740,536 |
| | | 64,248,567 |
| Utilities 21.9% | | |
| Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A: (AGM), 5.00%, 10/01/31 | 3,580 | 3,679,309 |
| 5.38%, 10/01/36 | 5,000 | 5,420,500 |
| City of Los Angeles California, Refunding RB, Sub-Series A: 5.00%, 6/01/28 | 2,000 | 2,163,660 |
| 5.00%, 6/01/32 | 3,000 | 3,209,280 |
| Cucamonga Valley Water District, Refunding RB, Water Revenue, Series A, 5.25%, 9/01/31 | 3,670 | 3,980,666 |
| | 4,000 | 4,417,720 |

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| | | |
|---|-------|-----------|
| Dublin-San Ramon Services District, Refunding RB, 6.00%, 8/01/41 | | |
| East Bay Municipal Utility District, RB, Series A (NPFGC), 5.00%, 6/01/37 | 4,000 | 4,196,200 |
| East Bay Municipal Utility District, Refunding RB, Sub-Series A: 5.00%, 6/01/30 | 5,000 | 5,462,600 |
| (AMBAC), 5.00%, 6/01/33 | 4,125 | 4,346,306 |

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| California (concluded) | | |
| Utilities (concluded) | | |
| Imperial Irrigation District, Refunding RB, Electric System: | | |
| Series B, 5.00%, 11/01/31 | \$ 5,000 | \$ 5,228,550 |
| Series A, 5.13%, 11/01/38 | 5,500 | 5,674,460 |
| Los Angeles County Sanitation Districts Financing Authority, Refunding RB, Capital Project 14 (FSA), 5.00%, 10/01/34 | 5,000 | 5,150,200 |
| Los Angeles Department of Water & Power, RB, Power System, Series A: 5.25%, 7/01/39 | 8,000 | 8,715,760 |
| 5.00%, 7/01/41 | 7,500 | 7,882,200 |
| Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/30 | 2,105 | 2,225,111 |
| Oxnard Financing Authority, RB, Redwood Trunk Sewer & Headworks, Series A (NPFGC), 5.25%, 6/01/34 | 13,000 | 13,454,220 |
| Sacramento Regional County Sanitation District, RB, Sacramento Regional County Sanitation (FGIC), 5.00%, 12/01/27 | 7,070 | 7,496,816 |
| San Diego Public Facilities Financing Authority, Refunding RB, Senior Series A, 5.25%, 5/15/34 | 1,000 | 1,064,570 |
| San Francisco City & County Public Utilities Commission, RB, Sub-Series A: 5.00%, 11/01/28 | 7,040 | 7,725,133 |
| 5.00%, 11/01/37 | 10,000 | 10,539,200 |
| | | 112,032,461 |
| Total Municipal Bonds 92.1% | | 470,885,063 |

Municipal Bonds Transferred to Tender

Option Bond (TOB) Trusts (a)

California 75.5%

County/City/Special District/School District 37.3%

| | | |
|--|--------|------------|
| Arcadia Unified School District California, GO, Election of 2006, Series A (AGM), 5.00%, 8/01/37 | 7,925 | 8,171,464 |
| Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/37 | 12,150 | 12,503,565 |
| Fremont Unified School District Alameda County California, GO, Election of 2002, Series B (AGM), 5.00%, 8/01/30 | 15,997 | 16,469,480 |

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Los Angeles Community College District
California, GO:
Election of 2001, Series A (AGM),
5.00%, 8/01/32

12,000

12,591,360

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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 (TOB) Trusts (a) California (continued) County/City/Special District/School District (concluded) | Par (000) | Value |
|--|--------------|---------------|
| Los Angeles Community College District California, GO (concluded): Election of 2001, Series A (NPFGC), 5.00%, 8/01/32 | \$ 26,438 | \$ 27,740,374 |
| Election of 2003, Series E (AGM), 5.00%, 8/01/31 | 7,497 | 7,818,463 |
| Election of 2008, Series A, 6.00%, 8/01/33 | 9,596 | 10,938,542 |
| Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34 | 5,000 | 5,283,100 |
| Ohlone Community College District, GO, Series B (AGM), 5.00%, 8/01/30 | 19,998 | 20,546,460 |
| Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/30 | 10,000 | 10,331,900 |
| San Bernardino Community College District California, GO, Election of 2002, Series C (AGM), 5.00%, 8/01/31 | 7,550 | 7,764,571 |
| San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/30 | 7,350 | 7,582,995 |
| San Francisco Bay Area Rapid Transit District, Refunding RB, Series A (NPFGC), 5.00%, 7/01/30 | 19,630 | 20,706,509 |
| San Francisco Bay Area Transit Financing Authority, Refunding RB, Series A (NPFGC), 5.00%, 7/01/34 | 10,497 | 10,873,154 |
| San Jose Financing Authority, Refunding RB, Civic Center Project, Series B (AMBAC), 5.00%, 6/01/32 | 11,400 | 11,424,852 |
| | | 190,746,789 |
| Education 11.8% | | |
| California State University, Refunding RB, Systemwide, Series C (NPFGC), 5.00%, 11/01/35 | 20,000 | 20,362,400 |
| Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35 | 11,000 | 11,490,600 |
| University of California, RB: Limited Project, Series D (AGM), 5.00%, 5/15/41 | 8,000 | 8,249,360 |
| Series L, 5.00%, 5/15/40 | 7,398 | 7,632,408 |
| Series O, 5.75%, 5/15/34 | 11,190 | 12,522,953 |
| | | 60,257,721 |

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| Municipal Bonds Transferred to Tender Option (TOB) Bond Trusts (a) California (concluded) | Par (000) | Value |
|---|--------------|--------------------|
| Utilities 26.4% | | |
| City of Napa California, RB (AMBAC), 5.00%, 5/01/35 | \$ 9,070 | \$ 9,427,539 |
| East Bay Municipal Utility District, RB, Sub-Series A (NPFGC), 5.00%, 6/01/35 | 15,000 | 16,105,350 |
| East Bay Municipal Utility District, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/37 | 7,990 | 8,373,760 |
| Los Angeles Department of Water & Power, RB: Power System, Sub-Series A-1 (AGM), 5.00%, 7/01/31 | 5,007 | 5,143,817 |
| Power System, Sub-Series A-1 (AGM), 5.00%, 7/01/37 | 13,525 | 14,002,671 |
| Power System, Sub-Series A-1 (AMBAC), 5.00%, 7/01/37 | 5,029 | 5,206,938 |
| System, Sub-Series A-2 (AGM), 5.00%, 7/01/35 | 7,500 | 7,738,650 |
| Los Angeles Department of Water & Power, Refunding RB, Power System, Sub-Series A-2 (NPFGC), 5.00%, 7/01/27 | 16,000 | 16,572,640 |
| Metropolitan Water District of Southern California, RB: Series A, 5.00%, 7/01/37 | 15,000 | 15,799,650 |
| Series B-1 (NPFGC), 5.00%, 10/01/33 | 7,175 | 7,327,179 |
| Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34 | 9,277 | 9,714,118 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 | 8,510 | 8,923,331 |
| San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/31 | 10,000 | 10,297,300 |
| | | 134,632,943 |
| Total Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts | | 385,637,453 |
| Total Long-Term Investments (Cost \$829,618,329) 167.6% | | 856,522,516 |
| Short-Term Securities | | |
| BIF California Municipal Money Fund, 0.00% (b)(c) | 666,968 | 666,968 |
| Total Short-Term Securities (Cost \$666,968) 0.1% | | 666,968 |

Schedule of Investments (concluded)

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

| | | |
|--|----|---------------|
| Total Investments | | |
| (Cost - \$830,285,297*) 167.7% | \$ | 857,189,484 |
| Other Assets Less Liabilities 2.3% | | 11,561,566 |
| Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (37.4)% | | (191,107,555) |
| VRDP Shares, at Liquidation Value (32.6)% | | (166,500,000) |
| Net Assets Applicable to Common Shares 100.0% | \$ | 511,143,495 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

| | | |
|-------------------------------|----|-------------|
| Aggregate cost | \$ | 639,281,024 |
| Gross unrealized appreciation | \$ | 27,827,160 |
| Gross unrealized depreciation | | (922,973) |
| Net unrealized appreciation | \$ | 26,904,187 |

- (a) Securities represent bonds transferred to a TOB 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, 2011 | Net Activity | Shares Held at October 31, 2011 | Income |
|-------------------------------------|------------------------------|--------------|---------------------------------|--------|
| BIF California Municipal Money Fund | 15,276,406 | (14,609,438) | 666,968 | \$ |

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

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. These definitions 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. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted 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

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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)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments is based on the pricing transparency of the investment and does not necessarily correspond to the Fund's perceived risk of 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, 2011 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments ¹ | | \$ 856,522,516 | | \$ 856,522,516 |
| Short-Term Securities | \$ 666,968 | | | 666,968 |
| Total | \$ 666,968 | \$ 856,522,516 | | \$ 857,189,484 |

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/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock MuniYield California Quality Fund, Inc.

Date: December 21, 2011

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/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock MuniYield California Quality Fund, Inc.

Date: December 21, 2011

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

Date: December 21, 2011

