



Jason E. Mumpower, Comptroller of the Treasury

June 10, 2026

Former Loudon County Pastor Pleads Guilty After Misappropriating More Than \$332,000

An investigation by the Tennessee Comptroller's Office, working in conjunction with the Tennessee Bureau of Investigation, has resulted in a guilty plea by Nicholas Rains, the former pastor of Canvas Fellowship Church in Lenoir City.

Investigators determined that Rains misappropriated at least \$332,654.46 from the church between 2019 and 2023. Rains used church funds to make personal credit card payments, withdraw cash from ATMs, purchase furniture and household items, pay for personal travel, cover restaurant and grocery expenses, pay personal bills and utilities, and purchase entertainment and recreation items.

The largest category of misappropriation involved unauthorized credit card purchases and payments totaling \$117,040.25. Investigators also found that Rains made at least 309 cash withdrawals from church accounts totaling \$84,976.68.

In addition to the misappropriated funds, investigators identified at least \$162,235.83 in questionable expenditures that lacked adequate supporting documentation. Investigators also identified \$4,523.30 in church assets, including trailers and electronic equipment, that could not be located after Rains left the church.

Church leaders first became aware of concerns regarding Rains' conduct in April 2023. Following a review of church finances, the church terminated Rains' employment. Rains later repaid \$4,500 for unauthorized ATM withdrawals. The church subsequently underwent leadership changes, hired a new pastor, and changed its name.

Based upon this investigation, on May 29, 2026, Nicholas Rains entered a guilty plea in Loudon County Circuit Court to one count of Theft of Property over \$60,000.

To view the investigative report, go to tncot.cc/doireports. To view a map depicting Comptroller investigations, go to tncot.cc/mappinginvestigations

If you suspect fraud, waste, or abuse of public money in Tennessee, call the Comptroller's toll-free hotline at 800.232.5454, or file a report online at: tncot.cc/fraud. Follow us on X/Twitter [@TNCOT](https://twitter.com/TNCOT) and Instagram [@tncot](https://www.instagram.com/tncot)

Media contact: John Dunn, Director of Communications, 615.401.7755 or john.dunn@cot.tn.gov

